

SALES man- age- ment

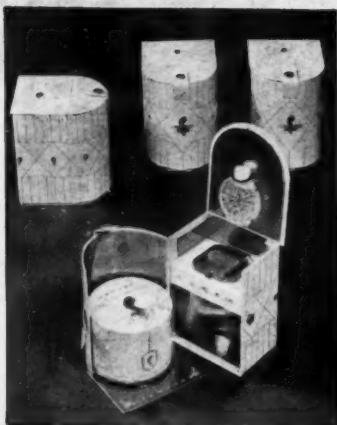
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THE MAGAZINE OF
MODERN MARKETING
December 1, 1935

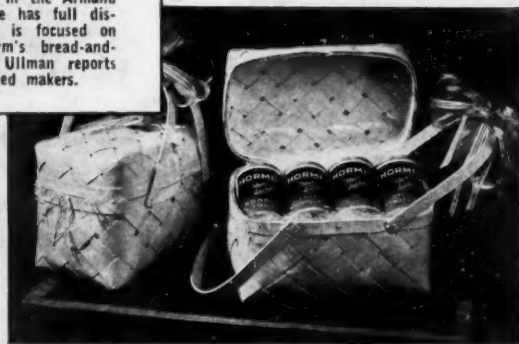
TWENTY CENTS



CHILD'S PLAY: To show how simply its Thor ironers operate, Hurley Machine Co., Chicago, invited children, their mothers and dealers to a demonstration tea. Each girl ironer got a box of candy, the three best, cash prizes.



SPOTLIGHT: Every item in the Armand Company's holiday package has full display, but most attention is focused on the powder box, the firm's bread-and-butter. Designer Martin Ullman reports that advance orders swamped makers.

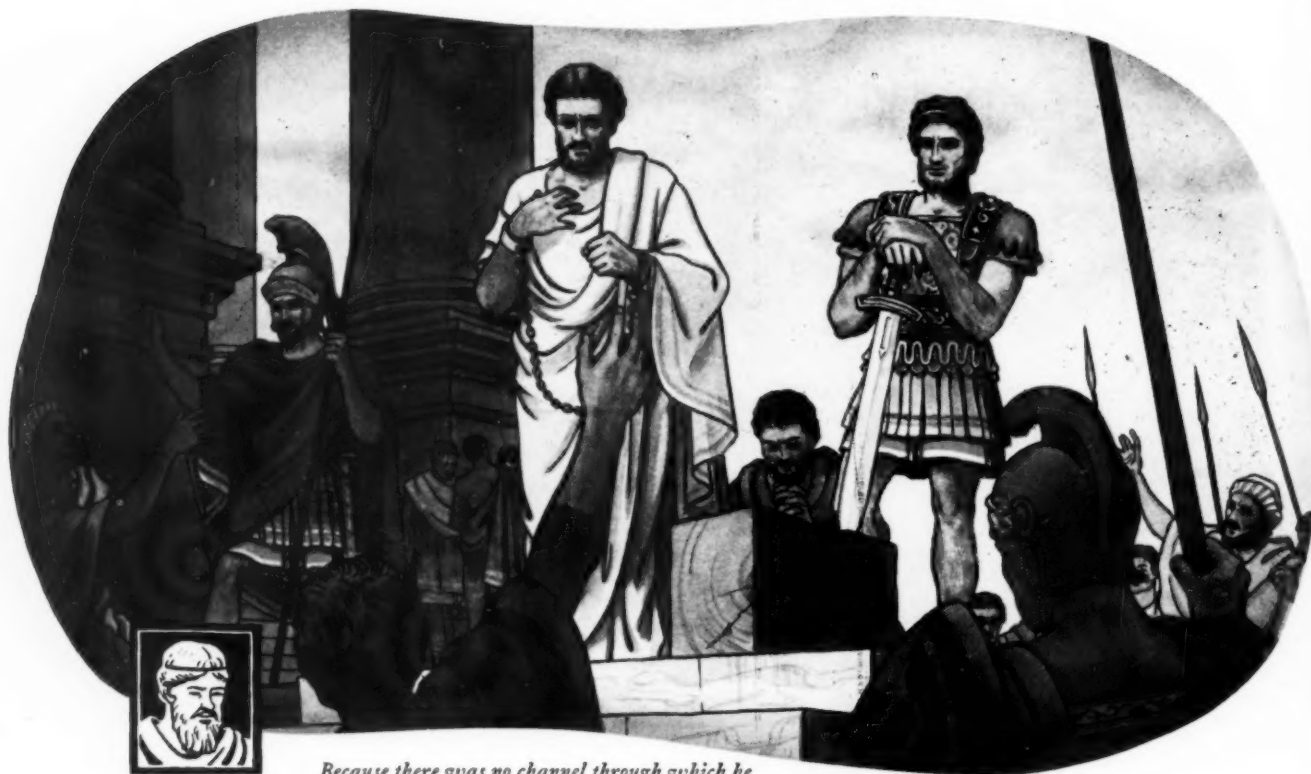


BY STORK EXPRESS: That noted deliveryman flew from Austin, Minnesota, to New York, bringing this baby basket. Some parents might be flabbergasted at the birth of quadruplets, but the Hormel soup company is tickled. (So were food editors who received eight cans of the new soups.) See page 658.



AS SAFE AS THE AIR? Col. Roscoe Turner, famed aviator, doesn't like to take chances on the ground, though he drives fast. Therefore he listens with interest as W. O'Neill, president of General Tire, explains the multi-vane tire. Its narrow, parallel ribs are flexible and—after two years of tests—stop a car on wet pavement quicker than other tires can halt on dry roads. Col. Turner holds a cross-section of the "new era" tire.

Not the Headsman's Sword but lack of printing retarded Christianity for 300 years



Because there was no channel through which he could reach enough people with his message, Paul was beheaded.

DEAF TO ALL SOUNDS save a voice whose question "Saul, why persecutest thou me?" echoed in his memory . . . blind to all things save the scene that question evoked: the scene of himself standing outside the walls of Jerusalem witnessing the stoning of a man, whose death he had permitted, Saul stumbled into Damascus. When he left that city, he was no longer Saul the Rabbi, Saul the Pharisee—but had become Paul the Evangelist, whose mission it was to convert the Western World.

Yet despite his energy, the conviction of his speech, the persuasiveness of his pen, Paul was to make such small headway in delivering his message that 300 years and more were to pass before enough men heard and were convinced by the principles he propounded to make his belief the dominant religion of even one single nation. From the outset Paul faced a problem greater than indifference or persecution: his was a single voice—his a single pen . . . no printing existed to multiply his words or his efforts. Truly, the world can count no invention or discovery equal in significance

to the development of printing—that science which makes it possible for a new idea to gain instantaneous circulation. And no list of the inventions which have made modern printing possible would be complete now without naming the most recent advance of all—Kleerfect, the Perfect Printing Paper.

With Kleerfect it now becomes practical to achieve the full measures of economy and quality offered by modern presses. For in Kleerfect, apparent two-sidedness of surface and color are overcome, and printing of equally high quality on both sides of the same sheet is made possible at far less cost than formerly. Moreover, Kleerfect's neutral color brings the maximum effectiveness to illustration in one to four colors. Its strength is ample for the fastest presses. Its opacity prevents show-thru. Its ink absorption gives thorough coverage at high speeds.

Before you publish your next mailing piece, magazine, house organ or catalog, see samples of Kleerfect. A request to your paper merchant or printer will bring them to you.

KIMBERLY-CLARK CORPORATION

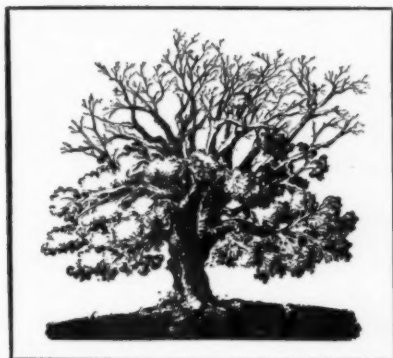
ESTABLISHED 1872

NEENAH, WISCONSIN

CHICAGO, 8 South Michigan Avenue • NEW YORK, 122 East 42nd Street

LOS ANGELES, 510 West Sixth Street

Kleerfect
REG. U. S. PAT. OFF.
THE PERFECT PRINTING PAPER
MANUFACTURED UNDER U. S. PAT. NO. 1716096



“Trees die from the top”

—and so do advertising agencies

WHEN executives grow old, there is danger that the business may grow old with them. Every business faces this problem.

For the Life Span of a business tends to follow the Life Span of its management.

Even when executives remain physically and mentally fit, there comes an inevitable “hardening” of their outlook.

The management becomes conservative, old-fashioned, definitely “set” in its ways.

It loses the priceless ability to create new ideas conforming to changed conditions. Unless great forethought is exercised, business and management decline together.

For businesses, like trees, often die at the top—and none more quickly than personal services such as advertising agencies.

The Business is an “Organism”

The answer, of course, is “new blood.” To avoid hardening of the corporate arteries, younger men must be taken in.

They must bring vigorous energy and new insight into the organization. Only by investing in youth can a business keep from “acting its age.”

We of Lord & Thomas have had long experience in this art of keeping young.

We have learned to mold the business into a living organism that constantly renews itself, yet always maintains its fundamental qualities.

This requires a statesmanship that balances the experience of management with youth’s eager brilliance.

Youth Reaches Upward

In our offices, all barriers are removed from the path

of talented youth. The able ones climb high and fast.

Lord & Thomas are unique in being a seasoned and immensely successful business, conducted almost entirely by men who can still touch the floor without bending their knees.

Today, they sit in our highest councils.

The average age of our top executives is 37 years, the oldest being 55, the youngest, 30. The length of service ranges from 1 year to 38 years.

These men came as recruits from many fields. Several have risen to high position from the groups of college men whom we select yearly.

Two outstanding writers came to Lord & Thomas seeking larger opportunities, after winning early distinction as writers of advertising.

One executive shone as a brilliant sales manager in the grocery field—another in drugs.

Still another won recognition in the publishing field for his ability to develop powerful merchandising tie-ups with national advertising.

From Roots to Topmost Branch

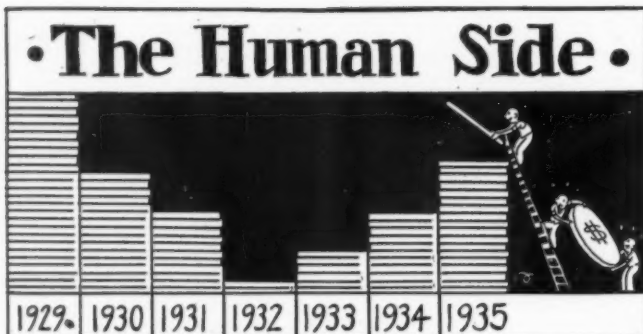
Not only in the executive groups, but at every level of our organization, these fresh talents and viewpoints are constantly being merged with the generalship and experience of older men.

In this way Lord & Thomas maintain our fundamental character—our devotion to basic principles of Salesmanship-in-Print. And remain ever a young organism—alert, courageous and aggressive.

In our 63 years of existence, we have invested \$500,000,000 for clients in advertising. And more than one-third of that amount, \$180,000,000—has been placed in the past five years of depression. We are old and experienced in the art of keeping young.

LORD & THOMAS · advertising

There are Lord & Thomas offices in New York; Chicago; Los Angeles; San Francisco; Toronto; Paris; London. Each office is a complete advertising agency, self-contained; collaborating with other Lord & Thomas offices to the client’s interest



Drop Tears Here

Norman Bel Geddes started as a designer of theatrical sets. Then he branched off into industrial designing and became one of the top-notchers. Now he's gone back to his first love, being responsible for the exceedingly life-like East River pier scene which is so important an element in standing drama customers in the aisles at "Dead End."

Last week SM's Inquiring Reporter, making a routine check-up of what the industrial designers are doing, called Mr. Bel Geddes' office. By some trick of the dial telephone he got on a busy wire. "I don't care if he has got a union card," a member of the BG staff was saying, "tell him to get the hell out of the theatre." Politely, and for fear his ears would be scorched by further blue flames, the reporter hung up. Later he called again.

"Mr. Bel Geddes is not doing any industrial designing now," a weary secretary explained. "He's back in the show business—and it's driving us nuts. I'm looking for sympathy." Suitable condolences were extended. Thinking up streamlined bathtubs, radios and other gadgets may have its worries, but they are nothing a-tall compared to show business.

Painless Publicity

Many a manufacturer has, no doubt, dreamed this rosy vision: Customers standing enthralled before a display of his products, soaking up the "talking points," unconsciously acquiring familiarity with the brand name, and at the same time having so much fun that they advise their friends to go and see the display.

Socony-Vacuum Oil Company has come close to making that dream a reality with its permanent exhibition in the RCA Building of New York's Rockefeller Center. Although open only a few weeks, the display has already attracted an average of 7,500 daily visitors, so skilfully does it sugar-coat the advertising message with entertainment.

The exhibit is a museum of transportation and industry, past and present. Henry Dreyfuss, industrial designer, created it. As visitors walk around the horseshoe hall they view three movies, on miniature screens, with reels of travel scenes. At one point a giant map of the world is equipped with buttons. Pressing one button lights up the route of the Pennsylvania Railroad. Another flashes on the principal air routes of the world, and so on for all the world's main transportation channels. Other buttons start tiny models of the *Europa*, *Normandie*, *Empress of Britain*, etc., to sailing on their regular voyages.

A teletype machine on the opposite wall grinds out news of the day hot from the cables. As a certain town or country is mentioned on the tape that place is illuminated on another big map just below. The news machine and illuminated map give spectators a vivid picture of current events. There are occasional stops on the tape for S-V product advertising.

Another device that gratifies the human desire to play with gadgets is a mechanical man constructed of automobile parts. Press a lever and he dips knee-deep into sludge, black, slimy, horrible, which slithers off as he returns to his first position. A

sign points out that this is "the gum and tar in ordinary oil" which is taken out of Mobiloil by the "Clearsol" process.

In the center of the horseshoe around which visitors stroll are glass cases where three engines are conditioning the air, regulating moisture, heat, and pressure to conform with altitude changes. In each case are motors running steadily, lubricated and fired by S-V products. Weather and altitude make no difference to Mobiloil and gas, the moral is obvious.

Along another wall models show an early train, a modern locomotive, the printing press, Orville Wright's original plane and other first steps in the development of modern industry. Petroleum's part in that evolution is clearly depicted.

At the information booth attendants give away maps and routes for motor travel to the throngs of spectators.

Socony-Vacuum offers the public something to play with and to inspect with interest instead of "just another advertising show."

"1,000 Ways to Make \$1,000"

That's the title of a new book. It is edited by F. C. Minaker, and published by the Dartnell Corporation. The price is \$2.50. Included in the chapter headings are "selling as a business; making things to sell; raising things to sell; selling by mail; selling your services and things to invent and patent." But that doesn't give a fair idea of the unusual ways of assembling a thousand hard iron men, "every one true."

For instance: Have you ever thought of "Snake Snaks"? There's money in rattlers' meat, and you can use the bones for necklaces, the oil for ointment. "What you can make from clam shells" is another true success story that will open your eyes. "There's a growing market for love birds"; "Mrs. Fox's mink ranch" and "Airplane junk yard" are other thought-provoking nuggets. "Nickel-in-the-slot pool tables"; "A flower-a-day service" and "Funeral flags and insignia" are equally odd—yet equally profitable.

These off-the-beaten-track manners of prospering are, of course, supplemented by hundreds of different twists to ordinary selling. All in all the book is crammed with pay dirt. Probably it will require another edition to be entitled "1,001 Ways to Make \$1,000." The thousand and first method will be obviously: Write a book called "1,000 Ways to Make \$1,000."

Santa Claus, Ahoy!

Started three years ago as an experiment by the Alaska Steamship Company, the "Christmas Cruise to Alaska" has become an annual and a profitable fixture. Offhand this appears to be one of the strangest ideas in cruises ever developed. It has proved surprisingly popular.

Santa Claus "comes up from the South" for Alaskan children. The Christmas Ship sails from Seattle on December 14 and will



When the news-tape stops the map lights up.

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half a Stitch
won't save time



to capture the Chicago market
quickly you can't do things by halves

There's nothing small about Chicago, and its potentialities for business. Chicagoans do everything in a big way. And if you, Mr. Manufacturer, want your share of Chicago's Big Business, you can't do things by halves.

The Chicago American alone cannot give you the whole Chicago market. No single newspaper can. But the American can, and will give you what we believe is the better half of this great tonnage market.

For the reason that the American's more than 400,000 circulation is not only the largest evening circulation in town but, more important, is comprised predominantly of young men and women in their 30s and 40s. Such people, economists say, are responsible for the bulk of business today.

They're live customers for everything. Most of them have families — growing families with

children. To a large extent, they're home owners. In a word, they're the kind of people who walk into your dealers' stores—and buy. Or don't, if you are not advertising to them. For these men and women are too bright, too modern to guess about anything.

These American readers mean business—Big Business in Chicago. And if you are not advertising to them in the American, you don't know the half of it!

CHICAGO AMERICAN

... a good newspaper

NATIONAL REPRESENTATIVES: HEARST INTERNATIONAL ADVERTISING SERVICE

Rodney E. Boone, General Manager

DECEMBER 1, 1935

[615]

SALES management

Vol. XXXVII. No. 12

December 1, 1935

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be gone from 15 to 17 days. Ports of call include Ketchikan, Wrangell, Petersburg, Juneau, Haines, Skagway, Cordova, Valdez and Seward, on Resurrection Bay. Sitka is touched on the return trip.

Much of the journey is in the famous and picturesque Inside Passage. As the Christmas Ship steams into each port Christmas carols are broadcast to the expectant youngsters to whom the big boat is a substitute for St. Nicholas' reindeer sled. The ship also carries a huge Christmas tree and a Santa Claus.

It's the toy carrier from civilization.

Transportation officials report that this unique cruise is steadily gaining in popularity and that those who have taken it report a vast enjoyment in it. Carrying Santa Claus to the Arctic is at least an unusual selling idea. Certainly there is novelty in it. And the cabins are all steamheated.

You can't sell an Alaskan kid the idea that Santa has his toy factory at the North Pole. They know it's somewhere down South.

Campaign Now Mellowing

The alert assistant news editor of SALES MANAGEMENT read (in the New York *Journal of Commerce*) that National Distillers had just completely renovated, at a cost of \$1,000,000, and reopened the famous Old Crow distillery near Frankfort, Kentucky.

Old Crow, said the reporter to himself (smacking his lips as he did so) is a fine and celebrated old brand. Surely there will be a prodigious sales and advertising campaign on this.

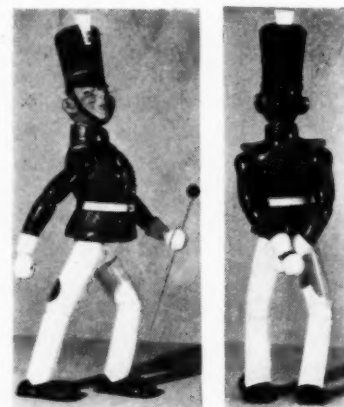
He went directly to National Distillers. Undoubtedly, said they, there will be a p. s. and a. c. "But you're premature. It will take four years to make this whisky. Come around in November, 1939, and we'll give you a real story."

G-E Dolls

Nobody thought General Electric would go into the Christmas doll business. Least of all the G-E radio promotion department which created "Bandy" and sent him out to work for radio dealers. Somehow Christmas dolls don't seem to belong in the same product line with 50,000-kilowatt turbo-generators and 200-ton electric locomotives; not even with high-fidelity, metal tube radio receivers. But in spite of incongruity, General Electric is in the doll business at this minute. "Bandy's" to blame for it.

He is a salesman 18 inches tall, with a humorously cheerful painted face, a smart red and white drum major's uniform, and legs and arms so limber that he assumes almost any human attitude. He was intended to be put into window displays and on counters pointing his baton to special features of the new G-E radio set, holding up sales cards and the like. He was merely intended as a colorful crowd stopper.

As a crowd stopper he is a success. He stopped so many doll lovers that radio shops are now going into the doll trade. They sell "Bandy" short for "Bandmaster," a title that fitted into the "Bandwagon Campaign" of the radio department—to women who make doll collections, to mothers and fathers who see in him the ideal Christmas present for little Isobel, to tired business men who like to have something in the office to make them laugh. "Bandy" is so good a salesman that he is selling even himself. And so General Electric, somewhat astonished, is in the Christmas doll business.



"Bandy" who put astonished General Electric in the doll business

SALES MANAGEMENT

Significant Trends

As seen by the Editors of Sales Management for the fortnight ending December 1, 1935:

Fourteen Points

We are indebted to the editors of Economics Statistics, Inc., for the following analysis of why business not only is good but should rise at an accelerated rate during the next six months:

1. During October there were gains in both demand and new supply, the demand factor rising to the highest point since recovery began. Demand continued considerably in excess of the new supply and stocks were further reduced. Obviously, the statistical position of industry as a whole is one of the most favorable ever recorded.

2. Partly as a result of the improved automobile situation, and also because of the improvements in building and railroads, the steel industry gave a good account of itself during October, wherein the apparent wide maladjustment which existed a month ago was almost completely corrected.

3. All of the textile groups improved. This was especially true of the cotton industry, which has been in the doldrums for so long. The silk industry was also more active. While the wool industry was slightly less buoyant than in the preceding month, an unusually favorable supply-demand position was maintained.

4. The non-ferrous metals group also continued its strong upward trend during October. This, of course, is explained by the improvement which occurred in automobiles and building.

5. Although it is too early as yet to give a definite figure for purchasing power, it is evident from the increased marketings of farm products, along with the advance in farm prices, that there were further gains in farm income during October.

6. Also, the scattered reports from different states dominated by manufacturing activity, showed that further gains of better than seasonal proportions were recorded in payrolls.

7. The higher level of freight carloadings indicates improved income for the railroads.

8. Building permits issued in 215 cities throughout the United States during October totaled \$67,014,000, as compared with \$47,289,000 in September. This is the highest figure reported since September, 1931, and is the most encouraging development in business statistics during the past month.

9. It seems, therefore, that purchasing power moved to a new high level for the recovery period, and remained above our composite demand index.

10. With only one exception, all of our weekly indicators advanced for the last week. New all-time highs were again established by electric power production and petroleum production.

11. Steel ingot production advanced to within two-tenths of one point of the year's high reached in the week ending February 9.

12. Automobile production advanced sharply and on a seasonally adjusted basis rose to the highest point established since the latter part of 1930.

13. There were slight declines in cotton forwardings and carloadings, but in both these instances the declines were less than seasonal.

14. In view of the conditions outlined above, it can be

concluded that the statistical position of industry as a whole is unusually favorable and business should rise much further during the next six months.

● ● ● If you consider Broadway a good yardstick: Last week 24 legitimate shows on Broadway grossed \$311,500—a figure not far behind the pace of predepression days, and \$70,000 better than the corresponding week last year when the Street's total was \$241,500 on 22 shows.

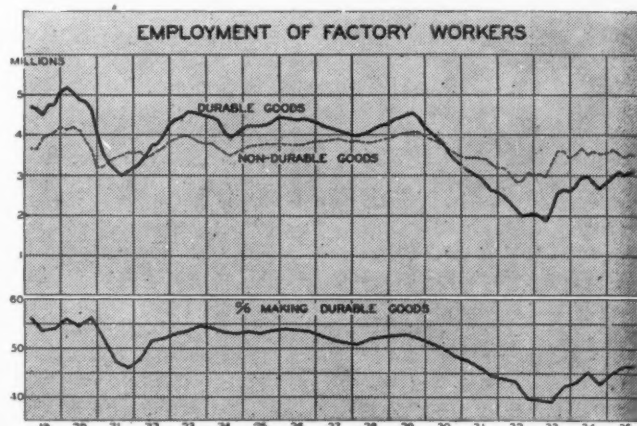
High and Low Industries

The latest Census Bureau release is a digest from the 1933 Census of Manufactures covering "man-hour statistics for 32 selected industries." For the

full year the average of factory workers in all industries was 165.1 hours, at a rate of 43.2 cents an hour, or average monthly earnings of \$71.32. A study of specific industries shows great variations:

Highest Ten

Industry	Monthly Hours	Hourly Wage, Cents	Workers' Monthly Income
Malt	187.1	65.7	\$122.92
Petroleum Refining	168.7	64.3	108.47
Ice, Manufactured	215.3	43.6	93.87
Machine tool accessories and machinists' precision tools and instruments	148.4	62.1	92.16
Sugar Refining—Cane	184.3	48.1	88.65
Motor Vehicles—not including motorcycles	145.0	61.0	88.45
Sugar, Beet	220.8	39.5	87.22
Motor vehicle bodies and motor vehicle parts	151.4	56.1	84.94



The employment figures of workers in factories producing non-durable goods are making a stationary line this year, but employment in factories making durable goods is shooting ahead rapidly. Since the low point in the depression, the percentage of all workers making durable goods has increased 7%.

In normal times more workers are employed in the heavier industries, and unless the trend changes within the next few months the durable goods line will again cross that of non-durable. The chart is reproduced through the courtesy of Colonel Leonard Ayres of the Cleveland Trust Company.

Flour and other grain mill products	189.7	44.4	84.23
Felt goods, wool, hair or jute....	171.2	48.8	83.55

Lowest Ten

Silk and Rayon "Commission" throwing	157.7	27.8	\$43.84
Cigars	153.7	29.9	45.96
Cotton Goods	174.0	27.9	48.55
Cigarettes	141.6	36.1	51.12
Silk and Rayon "Regular" throwing	164.6	31.6	52.01
Knit Underwear	164.8	31.9	52.57
Silk and Rayon Goods "Commission" weaving	168.7	31.3	52.80
Tobacco—chewing, smoking and snuff	149.1	40.2	59.94
Silk and Rayon Goods "Regular" weaving	165.7	36.9	61.14
Knit Goods—hosiery	167.3	37.2	62.24

● ● ● The New York *Herald-Tribune* estimates that business is slightly better than 70% of normal and the Merriman Weekly Business Index stood last Thursday at 79.9% of normal, a figure better than that of any time since October, 1930.

● ● ● What is all this about a "breathing spell?" According to the unbiased analysis of Congressional Intelligence it means that the breathing spell is going to be a 12-month breath. "It means that Administrative action from now on will be in the main favorable to industry and business; that Congressional action will be even more so, but in a negative way, i.e., not do anything to hurt business. It is because there is a pretty definite calculation that business can furnish the jobs that the Government can't, and it's going to be given every opportunity of doing so. This doesn't mean that the Administration will cease all its efforts. A good many PWA projects will go right on; CCC will continue; other activities designed to catch the slack will operate. Washington happenings henceforth are going to be perfectly normal—normal in the sense that they will be what they would have been under any normal political administration."

● ● ● Last week a New York Supreme Court Justice handed down a decision declaring the Feld-Crawford State Fair Trade Act unconstitutional in an action brought by Doubleday Doran & Company to restrain R. H. Macy & Company from cutting prices on books. An appeal is regarded as certain and was foreshadowed in the remarks of Justice Frederick P. Close: "Many writers on economic questions have long urged that legislative relief be granted against so-called price-cutting, maintaining that it is an economic evil that should be eradicated. That may be so, but it is my opinion that our fundamental law must be changed before such an act as this can be upheld."

● ● ● Brookmire has again revised its estimated income for the next six months. Its current estimates predict an 18% increase in the U. S. income and an income 43% greater than the average of the same period in the last three years.

● ● ● Bank debts, mirroring as they do 90% of all commercial transactions, remain our favorite index. For the month of October they were up 22.3% over October of last year, and 12.3% over September.

● ● ● Living costs in October of this year were 3.7% above those of a year ago; 17.3% higher than in April, 1933—the low point of the depression—but 16.9% lower than in October, 1929. According to *Domestic Commerce* the approximate division of the consumer dollar this Fall as against two years ago is as follows:

	Sept. '35	March '33
Food	37.2c	32.8c
Housing	19.1	20.5
Clothing	14.6	13.2
Fuel and Light	5.5	6.1
Others	23.6	27.4

● ● ● Professor Oliver M. W. Sprague of Harvard, who resigned as Executive Secretary to the Treasury because of his disagreement with the Administration's monetary policy, took an optimistic stand last week with regard to the possibility of inflation. "The Government debit might increase by a considerable number of billions, before it would exceed the taxable capacity of the nation," he said.

● ● ● This viewpoint coincides with the findings shown on a chart prepared for the National Association of Manufacturers by C. Judkins. Our national wealth is in excess of \$300,000,000,000; the total of public and private debts is approximately \$150,000,000,000; and the national income is more than \$50,000,000,000. This is a very favorable comparison with other countries. The total of Federal indebtedness to the total is only 20%.

Retail Sales

Unseasonably warm weather has been holding down the Winter clothing purchases of the nation and as a result the gains in department store sales in October and the early part of November do not show the high degree of increase expected, although the October gain of 6% is better than the gain for the first 10 months.

● ● ● Chain store sales in October were up 11.7% over the same month last year, and the two large mail order companies showed a 20.5% gain.

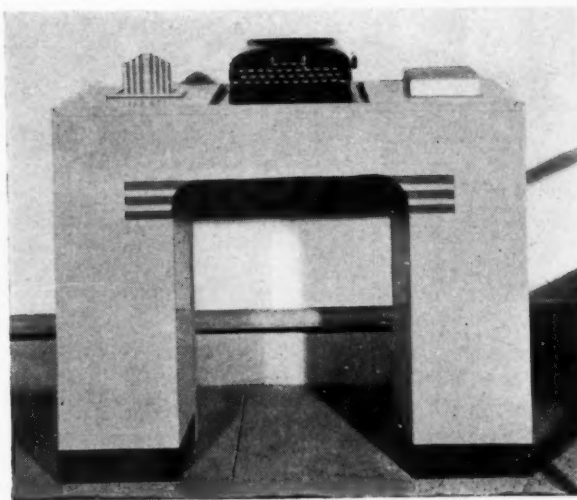
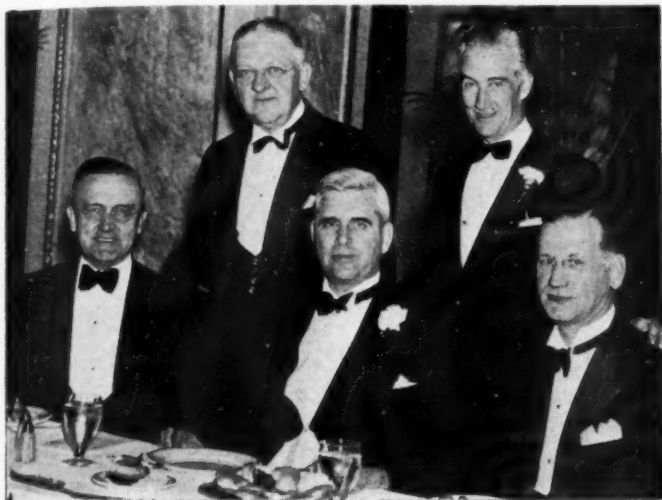
● ● ● The Department of Commerce is extending its reporting service on monthly retail sales of independent stores. Its present studies are available on more than 1,500 stores in Illinois, Indiana, Wisconsin, Texas, Oklahoma and New Mexico. A striking feature of the September and October reports was the big gain registered in retail sales of lumber and building material dealers and hardware stores. Filling stations and motor-vehicle dealers in most states likewise are enjoying unusual prosperity.

● ● ● The State of Ohio has made an analysis of more than 800,000,000 liquor-purchase slips in state-owned stores, and finds that whisky ranked first, with 81.6%, followed by gin, 14.1%; and wine, 1.1%. A consolidated picture of sales in all states, as reported in *Today*, shows whisky, 62.6%; gin, 13.5; still wine, 9.1; brandy, 3.6; cordials, 2.5; rum, 2.2, and sparkling wine, 1.4%.

● ● ● For 26 consecutive months the hotel industry has shown increases in business over the corresponding month of the year previous. Convention attendance in the first nine months of the year was in excess of the total for the full year of 1934. New York City hotel occupancy, a barometer of the trend in hotel business, shows a 63.1% rate, compared to 46.1% in the Fall of 1932.

● ● ● One of the most "bullish" business notes heard from an official source since the present upswing started was sounded in the November issue of the ordinarily cautious Federal Reserve bulletin, wherein it was concluded that the United States was undergoing the most substantial economic advance since the depression began and that every sign pointed to continuance of the forward movement. From the American Federation of Labor, through its monthly business survey, came an even more definite pronouncement in the form of a prediction of "an industrial boom within the next few years," at the threshold of which the nation already stood.

SM's Celebrate: At the 25th anniversary dinner of the Philadelphia Sales Managers' Association the photographer caught these members. Seated, left to right, Thomas E. McCabe, C. W. Wanger, L. L. McIlhenney; standing, left to right, William M. Zintl, Howard G. Ford.

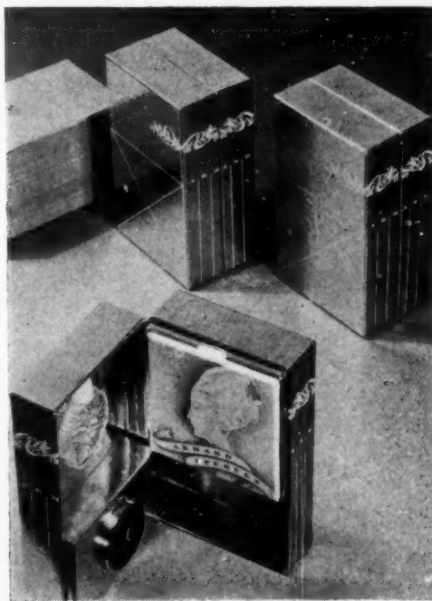


One Desk, \$1.98: That, gentlemen, is the price of this handsome piece of furniture pictured above. Remington-Rand makes the special offer for a short time only in combination with its portable typewriter. The desk is of corrugated board, yet is surprisingly sturdy. Of course it won't survive a rainstorm, but stands up under normal use.



Speakers: (Above) General Hugh S. Johnson was chief speaker at the P.S.M. Association silver anniversary. Next to him are L. L. McIlhenney, and Wesley A. Gilman, president of the organization. See "Marketing Flashes" for news of the group's annual award.

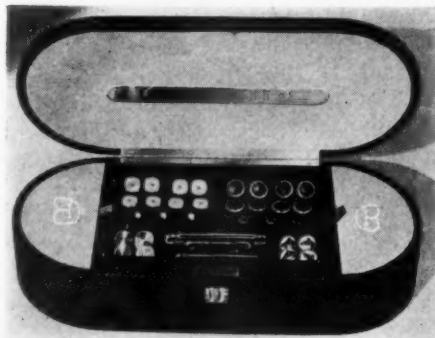
The Camera Points at the Sales World



Year 'Round: (Right) Armand Company's line of Christmas cosmetic packages will be among the best-sellers all year, believes President Carl Weeks. For Designer Martin Ullman has given them not merely holly or other seasonal decoration, but sparkling colors and folding construction that piques the interest. This package is in silver, red and black. Another is pictured on the cover.



Newcomer: (Left) H. H. Simmons joins the Crane Company, Chicago, as advertising manager. He will have charge of the plumbing supply firm's dealer helps, sales training and other promotional plans. For nine years he was with Russell T. Gray, Inc., Chicago ad agency, as vice-president. He started his business career in trade publications.



Jewelry Wardrobe: (Left) Priced at \$150, Krementz & Company's lizardskin box holds a man's complete jewelry supply. Formal and informal studs for day and evening, tie pins, chains, etc., are guarded by a Sesamee lock.

How Much Will the Payroll Tax Cut Your Profit Margin?

BY
ALLEN W. RUCKER

President,
Eddy-Rucker-Nickels Company,
Marketing Counsel,
Cambridge, Massachusetts

THE majority of sales executives are not fully aware of the serious competitive handicaps which will be forced upon them when the Payroll Tax provision of the new Social Security Act goes into effect on January 1, 1937.

In the first place, the Payroll Tax imposes upon all sales executives the absolute necessity of securing greater sales revenue to offset it, unless profits are to diminish—perhaps to the vanishing point. In some cases this additional revenue may be found impossible to obtain, with resultant injury to profits or capital.

But this is not the worst feature of the Payroll Tax. At first glance it seems to impose an equal burden on all business concerns. In reality, it operates with alarming inequality, most inequitably discriminating between different concerns and various industries—favoring some at the expense of others. This holds true not only between competing concerns in the same industry, but between different industries whether competitive or not. It affects all business—manufacturing, wholesale, retail and utility.

A concern located in the North, for example, may have to increase its sales revenue from two to four times as much as a competing Southern house to absorb the Payroll Tax. Furthermore, if you happen to be sales executive for a company particularly hard hit by the depression you may face the necessity of increasing sales revenue six to ten times as much as your brother executive in a concern which has suffered less and is now rapidly "coming back."

To cite a few examples, such depressed industries as railroads, furniture, anthracite coal, and building construction must increase sales revenue at far higher rates than chemicals, plastics, drugs and other specialties. The woolen and cotton goods industries will have to achieve a higher increase

The apparently "equal" Payroll Tax will absorb as little as 1% of the gross margin in some companies, and as much as 10% or 12% in others—grave inequalities which will have a direct effect upon competition. This article will tell you just how much you have to increase sales in your firm if you are to maintain the same rate of profit you are now getting.

than rayon and silk; the coal industry will labor under a greater burden than oil; lumber will be far more heavily handicapped than competitive "substitute" building materials.

To discover reasons for the gross inequity of the Payroll Tax, let us analyze its operation.

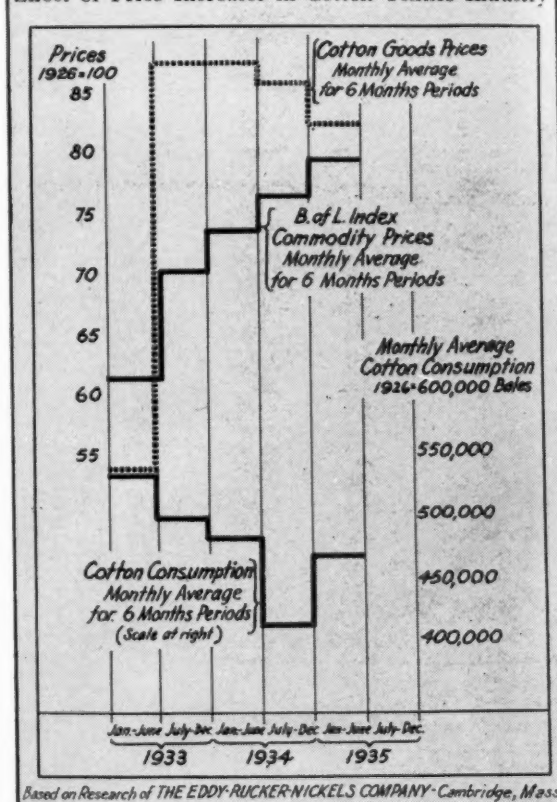
In the first place, it must be considered not as a certain percentage of payroll, but from the *only* standpoint of *real business significance*—in its relation to *ability to pay*. The actual burden which the Payroll Tax imposes upon your concern—and specifically upon your shoulders as sales executive—depends upon two factors: (1) The percentage of your company's payroll to sales, and (2), the percentage of gross margin to sales.

These two factors vary tremendously, not only among different industries but between firms in the same industry. Charts 11 and III show their variations in a number of prominent industries.

Gross margin plays a vital part in our analysis of the Payroll Tax. It is that part of the income from sales or operation which remains after deducting payroll, materials, fuel, and purchased power. It is the *only* part of sales revenue available for payment of selling expense, administration, depreciation and depletion, rent, inventory losses, capital charges, *taxes and profits*.

Out of gross margin must come your concern's share of the Payroll Tax. Therefore the percentage of gross mar-

Effect of Price Increases in Cotton Textile Industry



Based on Research of THE EDDY-RUCKER-NICKELS COMPANY, Cambridge, Mass.

Chart I. Shall we try to raise prices enough to absorb the Payroll Tax? That this course isn't always practical is shown clearly by this study of just one industry—showing how increased prices may mean quite a big drop in total volume.

gin absorbed by this tax is of immense importance.

The apparently equal Payroll Tax absorbs as little a 1% of gross margin in some concerns or industries, and as high as 10% or 12% of gross margin in others—even higher in certain instances. How little or how high depends always upon (a) how high the percentage of payroll is to sales, and (b) how high or low the percentage of gross margins is to sales.

As it is evident that unless profits are to be reduced, sales revenue must

be increased sufficiently to absorb the Payroll Tax, this question becomes of paramount importance to sales executives: *How much* must sales revenue be increased in *my* concern to absorb this tax?

Chart IV on this page shows at a glance the percentage of increase in sales revenue necessary to absorb 4%* tax, given a certain percentage of payroll to sales and of gross margin to sales. For example, if in your business the payroll is 12½% of sales, and gross margin is 15% of sales, then your sales revenue must be increased 3.45% to prevent a shrinkage of profits.

To illustrate by a concrete case how

279,000; sales, \$66,939,000; gross margin, \$10,964,00. The Alabama payroll was 22.83% of sales, and gross margin, 16.38% of sales.

Cotton textile sales executives in Alabama, to absorb the Payroll Tax, need to increase sales revenue only 5.88%—as compared with 8.25% in Massachusetts. Indeed a heavy handicap on the Massachusetts sales executive in his competition with Alabama!

So large are the sales increases necessitated in some industries that the inevitable result will be a competitive battle of unprecedented severity. Picture the situation in the boot and shoe industry, for instance, where some

1,100 manufacturers must struggle for a 6% increase in sales! Other conditions remaining the same, it will be impossible for all

will shortly confront sales executives: *How are sales to be increased sufficiently to offset the Payroll Tax?* In endeavoring to solve this problem, many knotty questions arise. Let us consider briefly three or four of the most important decisions that must be made.

(1) Shall we try to secure the required increase by raising prices enough to absorb the tax? If we do raise prices, can we maintain our physical volume of sales?

Here the decision generally does not lie with the sales executive. In some cases it is obviously impossible to raise prices. If it is possible, the sales executive's report on price conditions in the industry and his judgment on the probabilities of success should influence the decision and should therefore be based on careful research and study.

The danger, of course, lies in the possibility that raising prices may

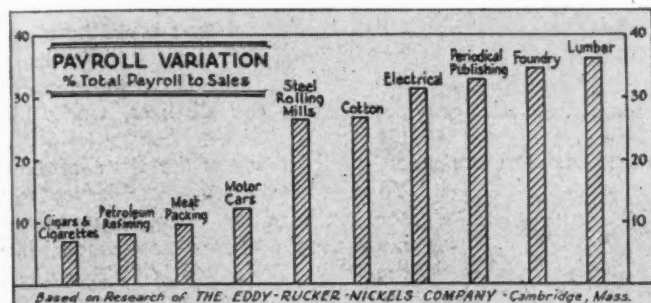
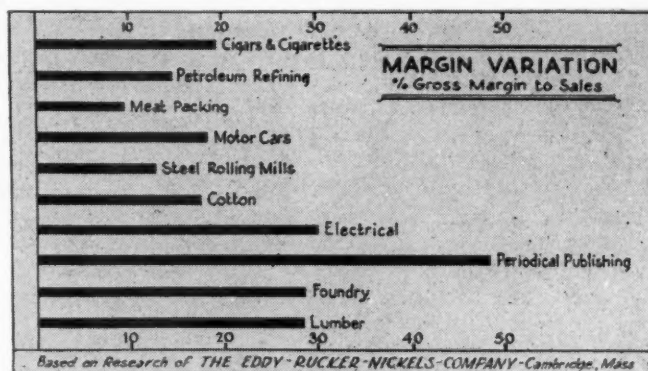


Chart II. Two factors determine how much you will have to increase sales if you want to maintain your profit margin after the Payroll Tax goes into effect. One of these is the percentage your payroll represents to total sales. Note how this percentage varies between different industries. Those whose percentage is high will naturally be penalized the greatest.

Chart III. The second factor which determines how much you will have to increase sales if you want to maintain your profit margin after the Payroll Tax goes into effect is percent of gross margin to sales. Those having low profit margins face the greatest disadvantage.



inequitably the Payroll Tax bears on industry, and the gravity of the problem it forces upon sales executives, let us suppose that you have direction of sales for a manufacturer of cotton goods in Massachusetts, in keen competition with a similar mill in Alabama. How will the Payroll Tax affect you in comparison with your Southern competitor?

The U. S. Census of Manufacturers for the latest year available shows that in round figures the payroll for the cotton goods industry in Massachusetts was \$31,110,000; sales, \$98,603,000; gross margin, \$16,304,000. The percentage of payroll to sales was 31.55%; of gross margin to sales, 16.53%.

To absorb the Payroll Tax without reducing profits, the sales executives of Massachusetts cotton mills must increase sales revenue 8.25%. (See Chart IV.)

In Alabama, where wages are lower, the payroll for the same year was \$15,-

* Four per cent in 1938 in any event; probably 4 instead of 3% in 1937 in the event that labor is able to influence the Congress of January, 1937, to throw the entire burden upon employers.

SALES INCREASES NEEDED TO OFFSET PAYROLL TAXES

Per Cent of Payroll to Sales	Gross Margin after Prime Costs—Per Cent of Sales																
	5.0	7.5	10.0	12.5	15.0	20.0	25.0	27.5	30.0	32.5	35.0	40.0	45.0	50.0	55.0	60.0	65.0
2.5	2.04	1.35	1.01	.81	.67	.50											
5.0	4.17	2.74	2.04	1.63	1.35	1.01	.81										
7.5	6.38	4.17	3.09	2.46	2.04	1.52	1.21	1.10									
10.0	8.70	5.63	4.17	3.31	2.74	2.04	1.63	1.48	1.35								
12.5	11.11	7.14	5.26	4.17	3.45	2.56	2.04	1.85	1.69	1.56							
15.0	13.64	8.69	6.38	5.04	4.17	3.09	2.46	2.23	2.04	1.88	1.74						
17.5	16.28	10.29	7.53	5.93	4.90	3.63	2.88	2.61	2.39	2.20	2.04	1.78					
20.0	19.05	11.94	8.70	6.84	5.63	4.17	3.31	3.00	2.74	2.52	2.34	2.04	1.81				
22.5	21.95	13.04	9.90	7.76	6.38	4.71	3.73	3.38	3.09	2.85	2.64	2.30	2.04	1.83			
25.0	25.00	15.38	11.11	8.70	7.14	5.26	4.17	3.77	3.45	3.17	2.94	2.56	2.27	2.04	1.85		
27.5		17.19	12.36	9.65	7.91	5.82	4.60	4.17	3.81	3.50	3.24	2.82	2.51	2.25	2.04	1.87	
30.0			13.64	10.62	8.70	6.38	5.04	4.56	4.17	3.83	3.55	3.09	2.74	2.46	2.23		
35.0				12.61	10.29	6.95	5.93	5.36	4.90	4.50	4.17	3.63	3.21	2.88	2.61		
40.0					11.94	8.70	6.84	6.18	5.63	5.18	4.79	4.17	3.69	3.31			
45.0					13.04	9.90	7.76	7.00	6.38	5.86	5.42	4.71	4.17				
50.0					15.38	11.11	8.70	7.84	7.14	6.56	6.06	5.26					

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Chart IV. Find the figures in the left hand column which represent the percent your payroll bears to gross sales. Find the figure in the horizontal line at the top which represents your profit margin. The figure in the table below at the point where these two columns cross shows how much you will have to increase your sales to absorb the Payroll Tax.

of them to get that increase. It simply is not there. Much the same is true of nearly all industries, to a greater or lesser degree—particularly of those whose rate of growth is already diminishing.

This, then, is the grave problem that

cause a drop in physical volume of sales which will cancel the anticipated gain in sales revenue and compel payment of the Payroll Tax from profits or capital.

The soundness of the decision as
(Continued on page 656)

"Hangover and Complexion" Copy Checks N. Y. Milk Sales Decline

WHEN New York State's dairy farmers, milk dealers and Department of Agriculture and Markets first got together last year and persuaded the Legislature to advance \$500,000 for a campaign to increase consumption of fluid milk and cream—the State to be reimbursed by a tax paid by farmers and dealers for the amount of milk sold—they faced a tough problem.

Milk is perhaps the most "universal" product. Everyone consumes it in some form or another every day of his life. Except for the couple of million babies born yearly in this country—which means a couple of hundred thousand in New York State—there were no new customers to win. The number of new ones each year, in fact, was just about the same as the number of veteran customers who died.

The dairy farmers wanted to sell more fluid milk and cream, which enters homes and restaurants as such, because they get, on the average, about 50% more and as much as 82% more for it than for the milk they sell for conversion into butter and cheese and other forms. The amount of the tax—1 cent per 100 pounds, half paid by the farmers and half by the "dealers" (mainly the large "distributor-dealer" companies like Borden, Sheffield Farms and Dairymen's League)—was expected to return to the State the entire amount advanced.

For Attack No. 1, Failure

A Bureau of Milk Publicity was established, a large and capable advertising agency was chosen from a score competing, and a dignified campaign launched in every daily and many weekly newspapers, in radio and other media—all in New York State—to urge "Drink More Milk" for your health's sake and for the sake of the farmer's pocketbook.

The campaign was run against formidable odds. In the State, as elsewhere in the country, consumption of fluid milk had been declining steadily for five years. From the peak of 40.8 gallons per capita annually, the national level had declined to 38.8 in 1933 and (doubtless influenced by the volume being won by those "new" beverages, beer and wine and hard liquor) was going down to 37.7 gallons in 1934.

The \$500,000 expenditure was based on an anticipated increase in sales. This did not materialize. In New York City, for example, which has more than half of the State's total population and where detailed figures are compiled monthly by the U. S. Department of Agriculture, the range of consumption decline was from 7.48 to .18% from parallel months of 1933 with eight of the losses being more than 4%.

That campaign was begun in March and concluded in December. Checking

BY

LAWRENCE M.
HUGHES

up, the State found itself out of pocket for it. With some difficulty the Legislature was persuaded to provide \$400,000 for a 1935 campaign.

There was a new Commissioner of Agriculture and Markets then—Peter G. Ten Eyck—and in the competitive bidding the plan of another agency—J. M. Mathes, Inc.—was chosen. Harold Leslie continued as head of the Milk Publicity Bureau. The man in charge of the account at the agency was Charles S. O'Donnell who had been a sales executive with various organizations, including Sun-Maid Raisin Growers and Dairymen's League, and presumably knew cooperative promotion—and milk.

In the previous campaign the State Health Commissioner and heads of departments of agriculture and of home economics in State colleges had injected their opinions freely as members of a Technical Advisory Board. It seemed as though that group contained more professors than milk producers and dealers.

The present board has more milk people. The program is also under the more active direction of the Commissioner of Agriculture and Markets.

When it broke the week of July 15, in 132 dailies, 567 weeklies, 15 radio stations, and a variety of other media, a lot of people were shocked. Instead of the mere reminder, "Drink more

milk," the Empire State was talking about the "calcium" in milk "for a glamorous complexion." Heather Angel, Dorothy Lee, Marian Marsh and other movie actresses were suggesting (without compensation from the State) ways of "reducing with milk." James J. Braddock, just become champion heavyweight pugilist, was saying (also without compensation), "I don't think I ever could have gotten into shape without it." For hangover sufferers, the State was showing that "Milk, the alkalizer, works like a charm."

In other words, the State of New York had borrowed several leaves from the books of the soap, cigarette and bran people. Some newspapers, like the New York *World-Telegram*, although they did not refuse to carry the copy, commented sarcastically on it. The campaign became somewhat of a national issue a couple of weeks ago when Dr. Morris Fishbein, editor of the *Journal of the American Medical Association*, damned it vigorously. "Milk," said he, "is the only article of diet whose function in nature is to serve as food. Certainly the values of milk in protein, in mineral salts and in vitamins are sufficient upon which to base claims as to its usefulness without trying to turn the product into a 'patent medicine'."

Despite the criticism, however, it would seem that there was method in this madness. Several kinds of method.

Copy Based on Authorities

In the first place, the appeals, as those in charge explained to SM, were based on medical and chemical authority at least as high as Dr. Fishbein. James S. McLester, M.D., in addition to being professor of medicine at the University of Alabama, is *president* of the American Medical Association. In his book "Nutrition and Diet in Health and Disease," he emphasized (p. 548) that milk is a part of a basic "alkaline diet," and (p. 350) that milk "should be included in reducing diets." Henry C. Sherman, Ph.D., Sc.D., showed, in "Chemistry of Food and Nutrition" (p. 276), that milk not only is "alkaline" but (p. 302) that the "best way to assure calcium in the diet is

(Continued on page 669)

You can let every lost sale teach you how to be a better salesman. Or, you can plod a lifetime, like Old Bill, who in all his thirty years of car-knocking never asked why the wheels sometimes didn't "sound right" or what was done to make them ring true again.



BY
BRUCE
CROWELL

Get One Sound New Sales Idea Out of Every Lost Sale

SOMEBODY passed over to me a day or so ago a letter that the Phillips Petroleum Company sent to its salesmen. I liked it so well that I'm passing it on to you:

"One of the stories we well remember is about Old Bill Jones who worked for the railroad as a 'car-knocker.'

"Maybe you don't know what a 'car-knocker' does? Well, he goes along a train with a hammer and taps the wheels, the object being to determine by the resulting ring whether or not the wheel is in A-1 condition, thus forestalling the hazards of a breakdown while in motion.

"Old Bill had been a car-knocker ever since the day he first went to work for the road. That was some thirty or more years ago. The foreman had simply given him a hammer and said, 'Here y'are son, go to it.'

"Today, along with several other fellow-workers, Bill was to be honored. Gold watches were to be presented to the men who had completed thirty years of service with the road. The president of the lines spoke. With eloquence he called each of the men by name and presented him

with a watch and the road's appreciation of long service, loyalty, and so forth.

"After it was all over, a somewhat flustered and bewildered Old Bill stood amongst the departing crowd, looking at his shining new watch.

"'What sort of work do you do?' asked the kindly wife of one of the spectators.

"'I hammer on wheels, and when they don't sound right, I tell the boss,' said Old Bill.

"'Hammer on car wheels? Hm-m, I don't quite understand. What do you do that for?'

"'I don't know,' said Old Bill honestly.

"Thirty years of car-knocking! And Old Bill had learned no more about his job after thirty years than when he first banged a wheel! Barring retirement, and supposing he should live to be a century old, he would still be plodding up and down trains with a hammer in his hand for years to come.

"... What did you learn from last month's sales experience; last week's; yesterday's? Sit down and analyze your problems. What are *your* stumbling-blocks? To realize and know them is to make the first step toward overcoming them."

Reprints of this page are available at three cents each, remittance with order.

For Christmas Cheer



Different: (Above) Ad agents Homan, Tarcher & Sheldon devised an out-of-the-ordinary package for Calvert. Container Corporation produced it.



Open-face: (Left) Taylor Wine Company, of Hammondsport, New York, has a Yule package cut away to show the label and an enticing portion of the bottle's contents.



World-Wide: (Left) Hiram Walker's "International" package enjoyed brisk sales last Christmas, so again it will be snuggled into stockings and piled beneath glittering trees. The name plays up the whisky's globe-girdling reputation. A merry tavern scene runs around the other gift package, suggesting the jolly gatherings of a Dickens' story with all hands trolling, "Landlord, fill the flowing bowl."



Seagram Quartette: Container Corporation of America made these holiday cartons for Seagram-Distillers Corporation. They are in four colors and gold, with a dirt-resisting lacquer.

Windowful of Schenley: (Right) The House of Schenley is assisting its dealers to fill their windows with the varied liquors all bearing the "Mark of Merit." Such a model display, complete with jocund Saint Nicholas and Christmas trimmings, has been created by the firm's staff. An attractive Christmas paper wrapper is supplied. All sorts of drinking glasses are printed on it, with the recipe for an appropriate drink on each.



"First Over the Bars": Hunter Baltimore Rye's gift package is good the year 'round say its ad agents, Dorrance, Sullivan & Company, but, of course, it's right in season now. A horse blanket all-over pattern on the carton emphasizes the hunting field atmosphere. The imitation brow band of a bridle on the top cover permits the carton to be opened or closed easily. When the front flap is opened in a window or on a shelf, presto, a self-contained display. The pop-up horseman is another feature that is sure to attract attention and reiterate the firm's slogan.

Is There One Best Method for Measuring Consumer Use?

ONE of the primary problems in market research is how to measure relative consumption of various brands of products—in other words, how to find out what brands people are using. It sounds simple—you just ask them. Originally, about the only type of query employed was, "Mrs. Jones, what brand of soup (or cereal, or coffee, or shoes) do you use?"

In the last few years various experiments have been made with other approaches. The so-called "Pantry counts" have been developed, though they are applied to medicine cabinets and other portions of the house as well—inventories forms that rely not at all on questions but take a count of the products actually in the house at the time. Another version of this is to ask, "What brand are you using now?" "What brand have you in the house now?" or still another approach is to determine the brand that was bought last.

Within the memory of living practitioners of the profession of market research still another form has been developed that ignores the user entirely and concentrates on measuring the goods as they go out of the store. This method has been variously designated the Laboratory Store method or the Inventory method, since it consists in taking a count of all the goods on the shelf of the store, checking the invoices for incoming merchandise over a given period, and by taking a second inventory to determine the total amount of goods sold during that period.

The theory has gradually grown up that the methods which do not rely on the consumer's word for what is used, but check actual presence in the home or sales in the store, are much more reliable. It is entirely possible that this is true; yet recent experiments lead one to wonder whether sufficient thought has been given to just what these different measurements mean, rather than an unqualified assumption that one method is immeasurably more accurate than another. It seems probable that considerably more thought should be given to the possible interpretation of results by these different methods to determine whether possibly

one method is right under certain conditions and another right under entirely different conditions.

In a search for the answer, or at least an indication of whether or not there is an answer to these points, the present survey was undertaken. It did not seem feasible to undertake to compare all methods simultaneously. Therefore three methods, really representing three different schools, were selected. These methods were:

Method 1. "What brand of coffee (or laundry soap, ready-to-eat cereals, cleansers) do you use?"

Method 2. An actual check of the brands that were in the same house at the time.

Method 3. A Laboratory Store study to measure the goods sold during the same period.

The study was made in Mt. Pleasant, Iowa, a town of 3,743 population, located in the southeastern part of the state, approximately 40 miles from the nearest major market—Burlington. Three hundred and six homes scattered throughout the town were interviewed, constituting approximately a one-third sample of the homes, but not including any farm trade. The question about use and the pantry count were made during the course of a week.

Over this same period a check of actual sales was made in ten grocery stores, for a measurement of sales of the different brands in the same product groups. There are fifteen independent groceries in the town, of which nine were covered in this survey. Of the six not covered, one was not in operation at the time and three were small outlying stores doing little business. In addition there are three chain stores: A & P, Nifti-Thrift, and Bentaco; of these A & P was interviewed. Three meat markets carry a small supply of groceries, but these were not included.

As a result of these three approaches, covering such a large portion of the homes and the stores, it seems fair to assume that each method in itself may be considered as representing actual conditions with a fair degree of accuracy. It is in the comparison of their results and a determination as to whether differences mean inaccuracies or whether they really measure differ-

This is the 15th of a series of marketing studies made exclusively for SALES MANAGEMENT by the Market Research Corporation of America under the direction of Percival White and Pauline Arnold. The first instalment of the Mt. Pleasant study appeared in our November 15 issue.

B Y

PAULINE ARNOLD

Vice-President, the Market Research Corporation of America.

ent things, that we are interested. If any conclusions bearing toward the latter can be reached, then this and much other work must be done to determine just what each measurement really measures, to what products each is best fitted, and what circumstances govern the choice of method.

Four products were studied. Tables I, II, III and IV show the comparative results for each method for each product.

It should be noted that in every case the number of people having a given brand on hand is less than the number who state that they use it. The immediate assumption from this is undoubtedly that women do not tell the truth, either through pride, carelessness, or plain lying, when asked about their brand habits. However, there seems to be certain variations between the different products groups that makes this assumption at least open to question. For easy comparison these are shown by Table V in the median average percentage drop

Table I: Cleansers

BRAND	Method No. 1 Brand Used		*	Method No. 2 Brand on hand		*	Difference in Method		Method No. 3 Store Sales		*
	No.	%		No.	%		No.	%	No.	%	
Old Dutch	186	61	1	158	52	1	30	16	103	41	1
Bon Ami	99	32	2	82	27	2	17	17	18	7	5
Sunbrite	62	20	3	49	16	3	13	21	25	10	2
Kitchen Kleanser	43	14	4	35	11	4	8	19	14	5	6
Bab-O	36	12	5	30	10	5	6	17	21	9	3
Climalene	18	6	6	12	4	6	6	33	21	9	4
Gold Dust	15	5	7	10	3	7	5	33	10	4	7
Jewel Tea	10	3	8	9	3	8	1	10	...	...	...
Total	471	...		385	...		86	18	...	...
All others	87	28		75	25		...	...	38	15	
Total	558	181		460	151		...	...	250	100	
**Base	306	100		306	100		...	...	...	...
Average brands per home	1.8			1.5			...	...	...	...

Median Average drop from Method No. 1 to Method No. 2—18%.

Table II: Ready-to-Eat Cereals

BRAND	Method No. 1 Brand Used		*	Method No. 2 Brand on hand		*	Difference in Method		Method No. 3 Store Sales		*
	No.	%		No.	%		No.	%	No.	%	
Post Toasties	117	38	1	80	26	1	37	32	184	14	1
Shredded Wheat	109	36	2	66	22	2	43	39	86	7	4
Puffed Wheat	87	28	3	47	15	4	40	46	123	10	3
Kellogg's Corn Flakes	84	28	4	53	17	3	31	37	53	4	7
Wheaties	72	24	5	44	14	5	28	39	161	12	2
Grape-Nuts	57	18	6	32	10	6	25	44	50	4	7
Post's Whole Bran	45	15	7	29	9	7	16	36	4	...	...
Rice Krispies	41	13	8	25	8	8	16	39	69	5	6
Post 40% Bran Flakes	31	10	9	25	8	8	6	19	72	6	5
K. Pop Bran Flakes	29	9	10	18	6	9	11	40	82	6	5
Puffed Rice	25	8	11	14	5	10	11	44	13	1	9
Grape-Nut Flakes	21	7	12	12	4	11	9	43	75	6	5
Kellogg's All Bran	14	5	13	12	4	11	2	14	36	3	8
Okay	6	2	14	5	2	12	1	17	58	4	7
Muffets	6	2	14	4	1	13	2	33	15	1	9
Krumbles	5	2	14	1	...	...	4	80	2	...	...
Total	749	...		467	...		282	38	...	...
All others	21	7		21	7		...	...	219	17	
Total	770	252		488	158		...	...	1302	100	
**Base	306	100		306	100		...	...	1302	100	
Average brands per home	2.5			1.6			...	...	...	...

Median average drop from Method No. 1 to Method No. 2—40%.

*Ranking position.

**Note that first two measurements are based on homes, the last on total packages sold.

Table III: Laundry Soap

BRAND	Method No. 1 Brand Used		*	Method No. 2 Brand on hand		*	Difference in Method		Method No. 3 Store Sales		*
	No.	%		No.	%		No.	%	No.	%	
P. and G.	150	49	1	137	45	1	13	9	786	40	1
Lux	141	46	2	103	34	2	38	27	66	3	5
Oxydol	98	32	3	70	23	5	28	29	151	8	2
Ivory Soap	98	32	4	76	25	4	22	22	108	6	3
Magic Wash	95	31	5	78	25	3	17	18	92	5	4
Dreft	56	18	6	41	13	6	15	27	28	1	7
Rinso	49	16	7	38	12	7	11	22	60	3	5
Big 4 Chips	36	12	8	30	10	8	6	17	43	2	6
Fels Naphtha	32	10	9	27	9	9	5	16	105	6	3
Crystal White	24	8	10	20	7	10	4	17	91	5	4
Economy	11	4	11	10	3	11	1	9	60	3	5
Chips	10	3	12	8	3	13	2	20	20	1	...
Ajax	10	3	12	9	3	12	1	10	119	6	...
Jewel	5	2	13	5	2	15	0	0	...	...	...
Super Suds	5	2	13	5	2	14	0	0	23	1	...
Ivory Flakes	...	...	...	...	...	...	...	...	18	1	...
Total	820	...		657	...		163	20	...	...
All others	67	22		43	14		...	...	166	9	
Total	887	290		700	230		...	...	1934	100	
**Base	306	100		306	100		...	...	...	...
Average brands per home	2.9			2.3			...	...	...	...

Median Average drop from Method No. 1 to Method No. 2—17%.

*Ranking position.

**In the home study Ivory Flakes are not specifically differentiated from Ivory but is merely Ivory in some form used as a laundry soap. In the stores the sales of Ivory Flakes were studied separately. If they were combined however, Ivory would still remain the same relative position in the stores.

***Note that first two measurements are based on homes, the last on total bars or packages sold.

Table IV: Coffee

BRAND	Method No. 1 Brand Used		*	Method No. 2 Brand on hand		*	Difference in Method		Method No. 3 Store Sales		*
	No.	%		No.	%		No.	%	No.	%	
Butter-Nut	100	33	1	55	18	2	45	45	46	4	3
Chase & Sanborn	88	29	2	49	16	2	39	44	55	5	2
8 O'Clock	80	26	3	63	21	1	17	21	622	58	1
Maxwell House	47	15	4	24	8	4	23	49	23	2	7
Folger's	36	12	5	21	7	5	15	42	37	3	4
Jewel Tea	18	6	6	18	6	6	0	0	...	...	...
Monarch	14	5	7	12	4	7	2	14	6	1	9
Teaberry	12	4	7	7	2	9	5	42	11	1	8
Gold Cup	11	4	7	8	3	8	3	27	8	1	9
Birds Special	10	3	8	7	2	9	3	30	...	...	...
Briardale	10	3	8	8	3	8	2	20	36	3	5
Bokar	9	3	8	5	2	9	4	44	24	2	7
Hills Bros.	7	2	9	3	1	10	4	57	3	1/2	10
Break o' Morn.	7	2	9	6	2	9	1	14	33	3	6
Sanka	7	2	9	4	1	10	3	43	3	1/2	10
Total	456	...		290	...		166	40	...	...
All others	81	26		60	20		...	...	168	16	
Total	537	175		350	116		...	...	1075	100	
**Base	306	100		306	100		...	...	1075	100	
Average brands per home	1.8			1.1			...	...	...	...

Median Average drop from Method No. 1 to Method No. 2—42%.

*Ranking position.

**Note that first two measurements are based on homes, the last on total packages of total pounds sold.

from those who say they use a product to those who actually had that product on hand at the time of the call. (Note that they were not asked to name the product they had on hand, but to name the product they *used*. In other words, use may and probably does cover a period of time, while what they have on hand is a static condition. If they had been asked to state what they had on hand and then this drop occurred, it would be correct to attribute the difference to error.)

TABLE V

Average Drop From Method No. 1 to Method No. 2

Product	Median Average Drop
Soap	17%
Cleansers	18%
Coffee	42%
Cereals	40%

But there is too much difference between the two low groups, Soaps and Cleansers, and the two high groups, Coffee and Cereals, to admit that this is entirely fortuitous. We believe that possibly this difference exists partly because the matter of *taste and variety* does not enter into the purchase of soaps and cleansers but definitely does enter into the purchase of cereals and coffee. In other words, we are inclined to believe that the variations shown are not due to error on the part of the respondent, but to the fact that in the latter two groups people change around from one brand to another. In such a case they may be stating the absolute truth in saying that they use such brands, although naturally *all* such brands are not necessarily on hand at one given time. On the other hand, with soaps and cleansers, which are not so much subject to the influence of variety, the brand on hand and the brand said to be used are much more apt to coincide. There would of necessity be some cases in which replacement of a used-up article had not yet been made.

When Is Method No. 1 Best?

If one is willing to admit this evidence, the result might be stated thus: The more a product is subject to variations of taste and desire for variety, the better possibility one has of getting an accurate measure of use through method No. 1. The less these factors operate the better measure can be arrived at by method No. 2. (Variations within groups will be discussed later.) If this is true, then with any product subject to desire for change, it is wiser to determine *use* rather than actual presence, if one desires to find out the number of people who use the product.

It is obvious that a woman is justified in naming herself as a user of Post Bran Flakes if she has them in the house one-third of the time, yet one has only a 33 1/3% chance of finding them on her shelves at any given moment. Or, stated differently, an actual count of the presence of the product would reveal only one-third of the people who are actual users of it.

From the fact that coffees and cereals show a very large difference between the two measures and laundry soap and cleansers show a relatively small one, this line of reasoning would lead one to suppose that the first two products are subject to a much greater amount of switching from brand to brand, not to the ultimate discontinuance of the brand but only for the purpose of variety or change. This does not necessarily have anything to do with the number of brands present at any given time. The number of brands per home is higher in laundry soaps than in any other product measured, but this probably indicates only the necessity for keeping different brands on hand for different uses, not a change from one brand to another for the sake of variety.

Inequalities Within Group

We have stated the tentative conclusion that it may be wiser to use method No. 1 for products subject to variety of brands for taste and change and method No. 2 for those in which this is not the case. Up to a certain point this appears to be true. But there are rather startling differences between brands within a given product group in their measurements by the two different methods. This would appear to indicate that there are inherent differences in the products themselves that make a housewife keep certain brands on hand more regularly than certain others. If this is true then neither method alone will give the same degree of accuracy in results for every brand, even within one product group.

For example there are distinct differences in practically all the product groups in the kind of brands that show a relatively large or small drop from the results in method No. 1 to method No. 2. For quick reference these are shown in groups in Table VI.

In the Cleanser group there is practically no variation between the high and the low drop, as reference to Table I will show, except in Gold Dust and Climalene. Following out our previous line of reasoning, we would be led to believe that these

(Continued on page 657)

DECEMBER 1, 1935

The Scratch-Pad

Joe White circularizes downtown Philadelphia as follows: "I am now at the Zeissee Hotel, managing a complete dining room." You've met orchestras like that.

In these uncertain days, there might be a place for another Condé Nast publication to be known as *Vague*.

A scout reports a Vermont cottage, called, in desperation, "No Namee." "Wap" John, of Detroit, thought up one of the best names I ever heard for a house: "Unter Den Mortgages." A friend of his did pretty well with "Quarrel Gables." I used to call my ranch "Chateau T. Harry," but am considering a change to "Rood Manor."

"Bathtub singers wanted. Audition to be held in swimming pool. No fee, but winner to compete on network amateur program. For details, written application only, to Ray Perkins, Hotel Shelton." Thus a classified ad in the New York *Herald-Trib*. What do you say, Fellows? I'll meet you at the pool.



T. Harry Thompson

Tip to executives: Before insisting that copy be written to please YOU, be certain that you represent a true cross-section of the market. It takes courage to bury personal prejudices, but it pays invariably.

Clicquot Club Soda makes a sales point in a Wynnsome manner: "Keeps Fizzically Fit."

The taxi-drivers' favorite song is doubtless: "The Longest Way Round Is the Sweetest Way Home."

Which, for no good reason, reminds me of the hat song of the West: "Sombbrero Voice Is Calling."

Jimmy Walker is back on his beloved Broadway, after a stay in Dorking, England. ("I've been there, Graham!") Somebody ought to tell him, in all kindness, that the Old La Guardia surrenders but never dies.

Ivory soap has been advertising for lo! these many years. It must be a terrific pull to find new ideas. How about a series to be called: "Grime Does Not Pay!"

The Lion of Judah's son-in-law has joined the enemy forces. Battle-song: "If Selassie meet Selassie," which is not perfect but will give you a rough idea.

The ideal set-up or something is a man studying the theory of isostasy in the midst of an earthquake.

Back in 1931, before any of us knew how depressed a depression could be if it put its mind on it, I published privately "Wilbur Whaffle, Sloganeer." I called it "a grin tale which kids the ad-racket." It retailed at \$1 a copy and I disposed of about 200 copies. I have some 1,500 copies neatly wrapped at home, in case you are interested. (Advt.)

It was Bill Cameron, veteran copy-writer, who said: "Good Friend—The Critic is he who would have you sing it, play it, carve it, or write it as HE would do it—if he could!" Not a bad definition, as I think back.

In its November 16 issue, *The Literary Digest* announced a new poll on the New Deal. The course of history might have been different had Mr. Hoover and his advisers taken *The Digest's* Prohibition Poll seriously, as F. D. R. evidently did.

Remember when you could identify the make of a car a block away? If manufacturers continue to follow a general pattern, cars may have to carry flags, as ships do, so you can tell 'em apart.

No wonder Technicolor appeals to Walt Disney. It is based on "three little pigments."

Sunoco has had a wide acceptance of miniature tin reproductions of its trade-mark, bearing the car owner's monogram, for clipping to the rear license plate. I saw a nice application of the idea recently somewhere on the road between Philadelphia and Delhi, New York. An ingenious van-driver had got two of them; fastened one at each side of the van in the rear, if "van" in the "rear" makes sense. The one on the left, with its directional arrow, said "YES"—the one on the right, "NO." A neat notice to passers.

There are several quartets on the air imitating musical instruments. For the most part, they seem to be just run-of-Mills Brothers.

"A. Stein is the manager of the Triple-X Thirst Station, specializing in beer and ale service to parked automobile here in Roanoke," reports Subscriber W. P. Gooch, national ad manager of The Roanoke *Times-World* Corporation. He asks, incidentally, if I wait for the elevator, or get a lift with a Camel? To which I say, "No, I'm Lucky that way."

Self-assurance and the nice personal touch distinguish copy written amid the peaceful surroundings of Blodgett Landing, N. H. For instance, this little piece by Taylor's Lodge: "The reputation of the C. O. A. Fair at Blodgett Landing being worldwide, we hasten to get our ad into their circular. We sympathize with Mrs. Wells, the Post Mistress, on account of the many reservations she will be obliged to handle on account of said ad."

T. Harry Thompson

Have you taken the wives of your salesmen into partnership with the company? If not, you are overlooking an opportunity for automatically eliminating many human problems which arise in holding good men and keeping them working.

The Ladies: Your Sales Allies or Your Troublesome Enemies?

THE sales manager of a big bond house once made the statement to me that he considered the biggest factor in a salesman's success to be—not knowledge of his line, or ability to work hard, or exceptionally good selling personality—but the salesman's *wife*, or his *sweetheart*, or his *mother*.

Certainly it is true that a wife can make or break a man in his efforts toward success. This is particularly true in sales work, where that success is so largely dependent upon a man's own initiative and enthusiasm and morale.

Most sales executives who have demonstrated their ability to develop a strong force of field men employ, consciously or unconsciously, some systematic method for making the wives of the men real partners in the business. SALES MANAGEMENT asked a group of 50, selected from different industries, how they go about the job of winning and holding the cooperation of the ladies.

Perhaps the most popular way of enlisting the help of salesmen's wives is through the offering, in all sales contests, of some merchandise prizes which are of direct interest to women: Something for the women themselves, something for the home, or something for the children.

Air-Way Electric Appliance Corporation does this regularly. Says Larry Shea, sales promotion manager:

"We are fully alive to the very important part that the wives and families of our dealer organization play in the ultimate success of a special sales campaign and in the year-around sales production efforts of our field organization.

"For that reason, we don't like to think we ever muff an opportunity to tie the ladies into our local branch organizations on every possible occasion. The wives, mothers, and sweethearts of our field men are always welcome and encouraged to attend our weekly

BY A. R. HAHN
Managing Editor,
SALES MANAGEMENT

sales meetings so that they may get a first-hand picture of what other wives' husbands are doing in our business. This appeal to the old pride angle very frequently results in a rejuvenation of the man whose wife has seen other women's husbands draw checks for \$100 for a week's work, whereas her husband's check probably calls for only \$25.

"In practically every one of our contests—we feature 13 of them each and every year—one for each of our 13 sales periods—we very definitely attempt to bring the wives into the picture by offering merchandise prizes that will appeal to the wife as well as to the salesman himself. Something for the home, something for the automobile, something for the kiddies, and very frequently something entirely for the wife herself are usual features of these contests.

"At least once every year we conduct a sales campaign that is directed entirely at the wives, mothers or sweethearts of our field men. A prize is posted in each branch to be awarded to the lady whose husband, son or sweetheart makes the best production record against quota assignment over the four weeks of the campaign. This type of campaign is followed by a series of personal letters written to each of the ladies who has an entry in the race. These letters are released twice weekly and contain some promotional stunt in addition to giving a list of the standings in the race, the latter of which, incidentally, has a tendency to touch the pride angle, which is very effective.

"One of our most successful and satisfactory methods of hiring field representatives for rural or outside territories is the practice of having the

local branch manager make an evening call on the prospective salesman at his home, and, in the presence of his wife and family, demonstrate our equipment and outline the possibilities that can be expected in the territory in which he resides should he qualify for that particular franchise.

"In almost every case when one of our field men loses his stride, our practice has been to urge the branch manager to make a call on that particular man at his home on some Sunday or holiday when the wife is sure to be there.

"We have in our international sales organization quite a few husband-and-wife teams that are successfully and profitably working a territory. The wife does the actual canvassing, while the husband fills the appointments and makes the demonstrations. We constantly play up the success of these combinations in our official house organ and through weekly bulletins to the field.

"... We heartily concur in the belief that the wife and home environment make or break our field men and we don't ever miss an opportunity to show 'the madam' just how important a part she plays in our sales activities."

When a new salesman is hired, Brown & Bigelow see that the man's wife is properly sold on the company and its policies from the very beginning. "We agree," says J. S. Shaw, vice-president, "that a salesman's wife, in most cases, has a lot to do with the success or failure of her husband. Because we recognize this, we give considerable thought to getting the wives sold on the company and on the job when the salesman first starts with us, and then to keeping her interest active."

"When a new salesman is hired, our district managers in almost every case arrange to meet the man's wife and tell her about the company, the organization, the line, the possibilities of the

Among the Firms Contributing to This Discussion:

Air-Way Electric Appliance Corporation

Brown & Bigelow

Victor Adding Machine Company

Egry Register Company

A. Nash Company

Fuller Brush Company

Shell Petroleum Corporation

Kenwood Mills

Grand Rapids Varnish Corporation

Maytag Sales Corporation

Agfa Ansco Corporation

Kelvinator Corporation

Good Humor Ice Cream Company, Inc.

THE A. NASH COMPANY

Custom tailored clothes.
EACH GARMENT SOLD DIRECT TO THE WEARER
AND MADE TO HIS INDIVIDUAL MEASURE
1516 ELM STREET
CINCINNATI

Mrs. Henry Jones
2961 Lawn Ave.
Tallahassee, Fla.

Dear Mrs. Jones:

I believe every husband realizes (even though he may forget to admit it) how much the interest and assistance of his wife means to ANY work he undertakes.

Your husband, right now, is engaged in selling work that is very important to him ... and to you. Not only is he going to earn better income because of it, but he has a good chance of winning a fine Nash suit and perhaps some extra cash too ... in the Nash Victory Drive.

I know you want to help him ... and you can. Not only can you encourage him, but you can actually help him in another way. Have you ever considered asking your women friends whether their husbands, fathers, or sons needed a new suit? Try it! Talk Nash Clothes to the business people you deal with. Then tell your husband what you find out. It will please him to find you interested. It will actually help him to make sales.

In appreciation for the help of wives of Nash Salesmen who win a Nash suit during the Victory Drive contest I want to present the beautiful Richard Hudnut triple compact pictured inside. It would give me great pleasure to present one of these to you.

I hope your husband wins! And I know you are going to help him!

Sincerely yours,

A. J. Long, Jr.

A. J. Long, Jr.
Leader of the Nash Victory Drive.



A. Nash sent this letter to the wives of their salesmen during the company's recent "Victory Drive." On the inside of the four-page folder was pictured the Hudnut compact offered as a special prize to the ladies.

A change of territories for her salesman-husband—even when that change represents a promotion—is likely to be opposed by the wife who hates to pull up stakes where she has her friends and relatives. If her cooperation has already been enlisted by her husband's firm, and if she understands what that company is doing, such difficulties are often forestalled.

Photo by
Ewing Galloway

job, the sales contests, and some of the prizes offered. They make it a point to tell her of cases where we know that a man's wife was largely responsible for her husband's success with us because of her encouragement and cooperation. She is made to understand that we consider her a part of our business family and that we recognize what a help she can be to her husband.

"The great majority of our sales contests are planned to get and hold the interest of the wives. In some the prizes are for the women, and we write directly to them about the contest and the prize offer."

Brown & Bigelow have an especially interesting "Check Chart for Contests" which might be of help to many other companies that use contests as a part of the sales plan. There are eight questions in this check, and unless the answer to every one of them is "Yes" in reference to a proposed special sales campaign, the contest plan is revised until it meets these specified requirements. One of these you'll note, is "Will the wives be interested?"

Here is the list of questions:

1. Is it timely?

(In the boom days Brown & Bigelow held a Stock Market Contest. Toward the end of the depression, they held a Dress Up Contest, and during the

(Continued on page 660)

Davol Keeps Up Wages, Quality; Modernizes Its Packages—and Prospers

IN the six generally disastrous years since 1929 Davol Rubber Company "has made no revision in salaries or wages of any employes, except upward," an executive announced on October 31, when Charles J. Davol, president and treasurer of the Providence, R. I., firm celebrated his 50th year with the company and his 25th year as president.

"Furthermore, not a single employe has been discharged or laid off for any reason connected with the depression. Nearly 15% of the entire force of several hundred employes," he added, "have service records of more than 25 years and 19 employes have been with the firm continuously for more than 40 years."

"The outstanding policy which has contributed most to this record," it is explained officially, "has been strict adherence to the manufacturing of quality products. Since the firm was established in 1874, its policy of upholding the maintenance and improvement in quality has been a fixed one. Throughout the past six years, when lowered quality was at times a temptation, the company not only maintained, but improved the standard of its products. Some recent improvements have indicated a remarkable advancement in the manufacture of sickroom rubber goods."

Products Constantly Improved

"About two years ago, for instance, the company announced an innovation in molded goods, in the nature of rough inside surfaces which absolutely will not stick together. Subjected to the most severe tests, surfaces of these Davol goods, including ice bags, water bottles and such, do not adhere, solving a major problem in the use of these articles. This patented process, as would be expected, has served to stimulate sales."

"Another instance of product improvement was announced in the Summer of 1934, when Davol 'streamlined' its products and incorporated the use of a new process of manufacturing designs in rubber goods. Here again, dealer and consumer acceptance of these products was stimulated."

Another avenue of profitable Davol activity has been the marked improvement in packaging, converting old packages into new business. In 1932, the firm began a comprehensive study incidental to the re-packaging of its line of more than 400 different products, giving special consideration to the nature of the products and the probable frame of mind of the ultimate purchaser. The Davol firm is the largest in the world making medical and surgical rubber goods exclusively, the sale of which can be stimulated by suggestion or by prominent display. Davol executives realized that purchasing of these sickroom products could be stimulated at the point of sale, which theory promoted this re-packaging study.

Its completion sent Davol products parading to market in highly improved packages, and with a reduction of approximately 25% in the number



Charles J. Davol, president and treasurer of the Davol Rubber Company, Providence, Rhode Island, recently celebrated his 50th year with the company and his 25th year as its chief. During that time the firm has become the world's largest manufacturer of medical and surgical rubber goods.

of shapes and sizes, with proportionately lower production costs. This latter was possible in spite of the fact that an inexpensive general label gave way to two-color packaging. The new packages have been a major factor in securing more and better counter displays in drug stores, as well as in promoting more retail sales.

Since the firm's margin of profit is not large, this re-packaging study took a three-way course in order that costs might be given first consideration. First, a study of the cost of the old boxes was undertaken; second, a determination of the cost margin either way; and, third, procedure to obtain the best new developments once the price had been determined. Following the study, a general label, with no adherence to the family-of-packages idea gave way to greatly improved packages, effecting a valuable means of mass display and promoting the "family" tie-up. New packages, incidentally, have always been designed for convenience in delivery, efficient storage, and adaptability to retail display.

One package, for instance, containing Davol nipples, made use of a paperboard easel so arranged at the back of the container that, when removed from its sleeves, it jumped automatically into proper set-up for counter display. This package has since given way to a card which holds the nipples and which improves display.

Buyers Can See the Goods

Another package has a paperboard easel made from a cutout of the base of the carton, thus effecting economy in production. Water bottles, previously marketed in telescopic boxes, appear in a container made of a piece of cardboard of nearly square dimensions, requiring little cutting and (with the exception of the transparent window) requiring no glue. Incidentally, this window, incorporated in many Davol packages, has been of importance in improving store displays, preventing product soilage and stimulating consumer sales.

Davol's general marketing policies, which include dealing directly with wholesalers, remain unchanged. A crew of highly-trained salesmen covers the wholesale field. Efforts to aid retail druggists have been constantly increased, the *Davol Dealer*, house organ, being an important agent. Started in 1928, this magazine suggests ways by which the retail druggist may improve counter and window displays and general store lay-outs. It also points the way to better salesman-

SALES MANAGEMENT

ship and other factors which contribute to increased profits for the druggist.

During the past six years, as in any period of business recession, the Davol Rubber Company has maintained or even increased advertising activities. Consumer and trade publications, all sorts of printed pieces and store helps are generally used.

Sales promotional activities have been undertaken from time to time. These included window display contests for retail druggists and a consumer contest for the naming of a new water bottle previous to its introduction in stores.

A generous pricing policy gives the retail druggist approximately a 40% mark-up on the majority of Davol products.

Davol's financial plan, which has

made possible their generous attitude toward employment and salary schedules, was given serious consideration at the outset of the depression. At that time, it was decided that the employees should receive first consideration when economic changes occur, and this progressive policy has been adhered to tenaciously. Perhaps it explains the underlying reasons for the dependable quality of Davol products, as is shown by the letter from a California druggist that arrived while an SM representative was in the Davol Company's offices. The druggist said:

"I am making plans to open an exclusive prescription pharmacy. From my experience of some 20 years I have concluded that your products will best serve my needs as to quality and variety. Please send your complete price list and catalog."

Advertising Campaigns

[Old and New Products as Promoted in Newspapers, Magazines, Posters and Direct Mail]

Money-Back

Though "double your money back if not satisfied" is rather old hat to Hormel soup, Colgate toothpaste, etc., it is a new toy for cigarette advertisers. Old Gold started offering double dough in small-city newspapers two months ago. On November 20, Camel virtually duplicated the invitation.

Agency Lennen & Mitchell (O. G.) has the right to point a finger at Agency William Esty (Camel) for the latter's copy is assuredly copy-cat. "If Old Gold isn't the finest cigarette you ever smoked . . . just mail the wrapper and ten unsmoked cigarettes to P. Lorillard . . . and we will send you twice the price you paid, plus postage" read the first.

"Smoke 10 fragrant Camels, if you don't find them the mildest, best flavored cigarettes you ever smoked, return the package . . . and we will return your full purchase price, plus postage," R. J. Reynolds' ad stated. Even if not double your money, that's assuredly an imitation.

Endavoring merely to Get All the News, SM'S editors called up Esty, Lennen & Mitchell, and to make the job complete, Lord & Thomas (Luckies) and Newell-Emmett (Chesterfield). It was as difficult to extract any information from all four agencies as it is to choose between several of "the finest cigarettes you ever smoked." The Camel ads are running in only a few dailies of a few cities at present. "Maybe the campaign will be expanded," said Esty. Originator

Old Gold's series is not natural, but will probably become so. Lennen & Mitchell have no figures yet on the number of smokers who asked for double their money back.

Lord & Thomas and Newell-Emmett respectfully but firmly declined to say whether they would get into the game.

Any agency handling one of the Big Four cigarettes is, in fact, a replica of the three monkeys who hear, see and speak no evil—or good either. For with their prize account at stake, the commissions from which pay for the light, rent, hired help and a good hunk of the president's salary, they are careful not to wound their client's super-sensitive nerves.

The agencies assert they would like to discuss cigarette campaigns as frankly as they do other accounts with trade press reporters. The reporters agree that there would be little harm done if schedules, results of tests, and so on were unveiled. Other manufacturers are glad to be the subject of press comment. Not the tobacco barons. As long as they maintain this gag-rule, the agencies' hands—and tongues—are tied.

First Candle

National Biscuit Company and ad agency Mc-Cann-Erickson are observing the first birthday of the Ritz cracker. Since its natal day there have been 5,000,000,000 Ritz yanked piping hot from NBC'S ovens. A card announces this fact to the firm's 3,000

salesmen and urges, "Let's help our baby continue to grow . . . and be adopted by every family in the country."

Space in the *Ladies Home Journal*, *Woman's Home Companion*, *McCall's*, *Good Housekeeping* and in *The American Weekly* and *This Week* will continue to advocate mass adoption.



Cash registers will jingle.

No Left-Overs

Holiday packages and wrappings are good stuff, but Bayuk Cigars, Inc., Philadelphia, doesn't intend to have any left over to clutter up dealers' shelves. Though it, and agents Proctor & Collier, Cincinnati, are putting full steam behind the Phillies package illustrated, the number will be limited to avoid overstocking.

The wrapper, executed in ten colors and gold by U. S. Printing and Lithograph Company will have concentrated behind it "the most spectacular outdoor program in the history of the cigar industry." Twenty-four-sheet posters, also by U. S. P. & L., will cover the country's shopping areas. Store tie-ups include window streamers and displays.

"The Christmas story of America's largest selling cigar" is the title of a merchandising bulletin to Bayuk Phillies jobbers; it offers suggestions "that will make cash registers ring at Christmas as they never have before."

Out of the Bog

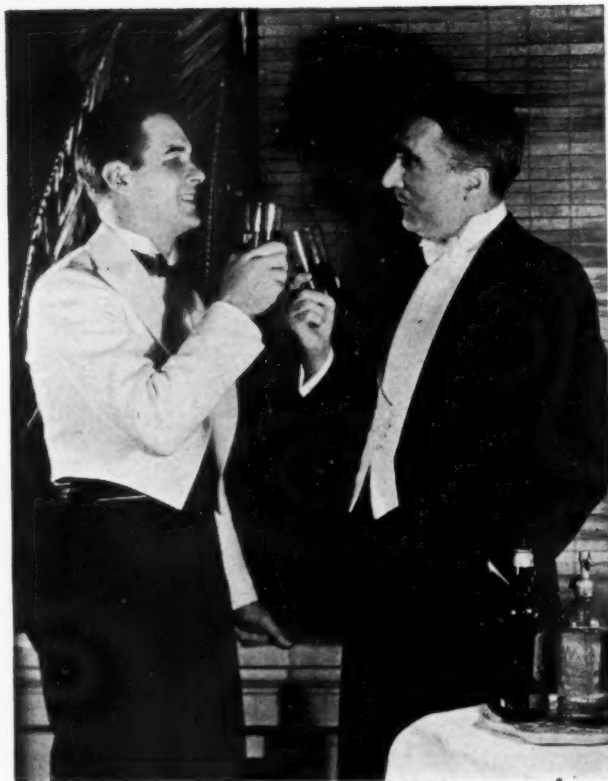
Cranberries were on more Thanksgiving tables this season than for the past 20 years. And the 450 New England, New Jersey and Wisconsin owners of cranberry bogs, who compose the American Cranberry Exchange, got a better price. The crop was a short one, but sales were up 10%.

When the association started in 1916 the red berries fetched \$6 a barrel. Now the figure is \$16. Advertising in some 300 newspapers, in grocery, restaurant and farm journals, distribution of 500,000 recipe booklets by telegraph boys, and window posters helped raise demand and price.

(Continued on page 663)

BY
LOUIS PALMER

Must every company set aside some money in each year's budget for entertainment of customers and prospects? Or is it better to rule entertainment out altogether and depend upon straight selling to get business? If there is an entertainment fund, what limits should be set upon it? Do you believe that funds now being spent for entertainment would prove more profitable to a company if spent for advertising space or sales promotion?



Many a salesman has found that good liquor or the hilarity of the floor show turned his high-hatting prospect into a "friend" . . . but whether that relationship be false or true . . . whether it actually results in profit for his firm, is still a matter of bitter controversy.

Photo by Underwood & Underwood

How Much Entertainment Is Needed and Justified in Selling

IN a book entitled "The Chart of Plenty," published a few months ago, Harold Loeb reported the findings of himself and some 60 associate engineers in a Government-authorized survey of the nation's ways of producing and spending. A large chart of our economy as of 1929 was the frontispiece. In the lower right-hand corner was this item:

Expense accounts, \$1,000,000,000.

How much of this was spent not in reaching prospects but in putting them in a happier frame of mind toward particular people and prospects one can only conjecture.

How much *should* be spent I leave to Dr. Loeb and you. My assignment was, from informal talks with a variety of sales executives, merely to watch some straws in the wind.

For reasons of economy there is probably less entertainment now than there was six years ago. For reasons of Repeal and business upturn there is probably more than there was two years ago.

But generalizations are dangerous. I have talked with executives of medium-sized companies who feel they must spend many thousands of dollars

a year in entertainment, and executives of large companies whose salesmen must limit their entertainment to luncheons.

And one man put it this way: Large companies spend more money on entertaining—cementing relations with—existing customers; other companies spend more to turn prospects into customers.

Then he gave an exception to his own rule, from a remark he had overheard between two Jewish clothing representatives: "Vy the hell did you invite him to dinner? We hafn't got the order yet!"

A salesman who had been, he thought, too generous or obnoxious with offers of entertainment in the hope of an initial order, was with this executive at the time. The executive pointed out that "you haven't got *my* order yet."

In the course of my informal research I found one company—a leader in its field—whose spokesman admitted that they spend more for entertainment than they do for advertising. The respective figures are \$200,000 and \$150,000.

Some salesmen and "contact" men

spend more for entertainment than they get in salaries. Salesmen of one of the largest companies in America spend in entertainment an amount equal to half or two-thirds of their salaries. And of course there are companies in various fields who employ full time men—at good salaries—merely to keep people happy.

Most salesmen are still discreet enough not to pull out their fountain pens on the cruise or the golf course. But golfing still helps—if you don't beat your prospect too badly. Prospects do relax on the water. . . . And alcohol is the greatest common denominator of all.

Yes, alcohol, especially for New York prospects, who have more alibis than anyone who ever went to Sing Sing, and more defenses than the Rhine. Perhaps because competition is keener there, executives have more secretarial skirts to hide behind. And for the same reason some of them really are "busy" and up-stagey and "out of town."

The salesman who is lucky or clever enough to take the prospect out to drink or to buttonhole him at a convention, may find beneath this gruff

OKLAHOMA CITY'S GENERAL BUSINESS IS

**BANK DEBITS
UP 36.1%**

Bank debits, an accurate mirror of general business conditions, was up 36.1% in Oklahoma City in October compared with October, 1934 . . . jumping from \$78,916,000 to \$107,412,700 this year. This was the largest banking month since March, 1931, and 37 millions greater than in September.

**RETAIL SALES
UP 10% to 15%**

Oklahoma City department store sales during October paced the nation's 6% gain with a 10.2% increase. Local retailers, in representative lines, reported their sales 10% to 15% better in October than in the corresponding month last year.

**WHOLESALE BUSINESS
UP 5% TO 50%**

Oklahoma City wholesalers reported substantial gains during October compared with the same month last year. Individuals reported increases from 5% to 50%, while the average was 20%. Predictions are that the year will close 20% to 25% better than 1934.

**UP
36.1%**

SALES increases, reflected by a 36.1% gain in October's general business, herald a banner holiday season for Oklahoma City merchants!

Farm incomes in the Oklahoma City trade area, swelled to over 145 millions this year, have given Oklahomans new buying power. And they are using it . . . to buy everything from toothbrushes to tractors!

Keep your sales paralleling the business upturn in the Oklahoma City market by concentrating your product's advertising in the Oklahoman and Times. These newspapers, invited guests in 9 out of every 10 Oklahoma City homes, and in 3 out of every 5 in the trade area, provide unusually effective coverage of one of the nation's most promising sales areas at the lowest milline rate in the state.

DAILY OKLAHOMAN - - OKLAHOMA CITY TIMES

National Representative: E. Katz Special Advertising Agency

exterior a human being, and—after three more drinks—a friend.

One sales executive (who himself never spends more than \$20 a month on entertainment) says that such methods are to be deplored. He mentions several reasons: They are costly, discriminatory, and establish (he thinks) a false relationship. Not only that but they limit a salesman's services. When he drinks during the day he has less time to sell. If he drinks too much, he has a headache the next day.

Of course, his salesmen tell him that the opposition is spending so much to entertain So-and-So, and that "we" must do likewise, or more. But he remains adamant.

Many a company which believes in giving its men large allowances for entertainment has found it necessary to exercise proportionate care in checking on the expense accounts. The reporter who used to boast to me how he got a suit of clothes out of "miscellaneous" every time he covered a convention was a piker compared with many salesmen.

Do Abuses Overbalance Good?

One advertising agency account representative was receiving about \$12,000 a year for his work in keeping the good-will of a large client. He was spending about \$12,000, as he reported, in entertainment toward that end. That was all right with the agency, until one of its top executives learned from the client that not once in a year had that man taken the check!

There have been other examples like this. Many a prospect would die of gluttony or delirium tremens if he ate or drank a quarter of the stuff which salesmen's expense accounts ascribed to him.

One example of this happened a short time ago with a large oil company. Sales representatives in three different cities of a certain state sent in statements that each had entertained a certain jobber in his own city over the same weekend. The bill from each was more than \$250. As a matter of fact the jobber had not been out with any of them. All three were fired.

Sales executives are inclined to agree that men who "pad" their expense accounts are on the way out. There is more to this than swindling, they find. Usually these men are "laying down" on the job.

There is, of course, the question of what are and are not legitimate expenses on the road. The companies may be at fault by making too stringent economies. If the chief knows the

territory he may be justified in assuming that no one should spend more than 85 cents for lunch in Eau Claire. He may also know the price of Martinis there. But haggling over pennies may be as dangerous to sales morale as letting men get away with hundreds of dollars.

In a talk before the Sales Executives Club of New York recently, Frank Hawks, the aviator, mentioned his trip from Buenos Aires to Los Angeles in 9 hours. Salesmen, he said, should use airplanes on long runs like that. The fare costs more than by boat but, he pointed out, it would "save three weeks at the bar." Certain companies in export trade have grown accustomed to figure in the bar.

Sometimes salesmen get stuck for wholly unexpected but what they consider "legitimate" expenses. One, who could not play poker, was invited by his customer, who could play poker, to join in a game. The salesman lost \$127. He put it in his expense account. The big chief queried him on it. The man explained that, in the interests of the company, he had finally consented to play. The chief looked at him a moment, and then said: "All right, Jones. I'll okay it. I know that if you'd won \$127 you would have turned it in to the company!"

Many companies which spend freely on entertainment are still careful as to where the line should be drawn. One executive said: "We do everything possible to make our guest enjoy himself and yet avoid anything that would make him feel under obligations to us." There is a point where good fellowship leaves off and bribery begins.

And large orders do not necessarily mean large expenditures for entertainment. A friend placed orders for several million dollars' worth of equipment last year, but wouldn't permit salesmen to spend a dime on him.

Should the Customer Be Wined and Dined?

What is your company's policy on the matter of expenditures for entertainment of customers? SALES MANAGEMENT will pay \$20 for the best letter in which any sales executive takes a stand in behalf of an entertainment fund, and explains why, and—

\$20 more for another letter in which any executive takes a stand against entertainment of customers and prospects, and explains why.

The editors of SALES MANAGEMENT are to be the sole judges of the replies. All letters must be in the SALES MANAGEMENT offices not later than January 3, 1936.

A group of men from two companies—about five of each—got together to discuss the purchase of equipment which would amount to about \$1,000,000 in the course of the year. Above the normal expenses for those in the group who were traveling the territory anyway, about \$120 was spent that day for lunch, dinner and theatre. A few weeks later they got together again at a cost of \$250. A couple more meetings like that and the deal was signed. The entire "entertainment" cost was about \$1,000. Each month thereafter on that contract about \$150 was spent in entertaining higher officials of the other company.

Even the Great Are Gullible

On the other hand, it seems that purchasing executives of great corporations who pride themselves on buying to carefully worked out specifications and tests are still susceptible at times to a bit of expensive back-slapping. They are still human enough to let their friendships (or relationships) determine choices.

The principal "entertainment times" are conventions and at Christmas. Expenditures here for some concerns are enough of a problem that they have appointed executives to take charge of it and to concentrate all this buying among them. One man in a certain company rents its convention suite and buys all the liquor to be dispensed there. If the supply runs short, the salesmen must come to him for approval to buy more.

This executive also found that his company was spending \$15,000 for Christmas gifts—that a lot of customers were getting gifts from different offices of the company. The executive thought that the profusion did little to increase the good-will of the recipient. And the gifts themselves had no "personal" atmosphere about them. He cut out the duplication, simplified and "humanized" the gifts; reduced the cost about two-thirds and probably trebled the acceptability.

Entertainment may be needed in selling; but discretion is needed also. Make the prospect or the customer happy. But don't let him think you regard him either as a crook or a sap.

Food Men Discuss "Kick-Backs"

Six groups of food manufacturers, wholesalers and retailers functioning as the Food and Grocery Conference Committee, are now trying to standardize quantity discounts and advertising allowances—subjects touched pointedly in SALES MANAGEMENT's now famous "pink sheet" of July 15 that reported A & P relations with 343 suppliers. The Committee's fourth meeting will be held December 11 in New York.

SALES MANAGEMENT

One of America's Largest Furniture Stores

**Barker Bros.
of Los Angeles**



A tremendous amount of Furniture and Household Goods is sold every year in Los Angeles. Of the Five Largest Markets in America, Los Angeles is far in the lead in Furniture purchases per capita. Here are the figures:

CITY	Population	Furn. & Household Sales	Furniture Stores	Sales per Store	Sales per Capita
Los Angeles	1,238,048	\$ 23,921,000	659	\$362,989	\$19.32
Gr. New York.....	6,930,446	109,745,000	3433	319,667	15.84
Chicago	3,376,438	35,157,000	1081	325,227	10.41
Philadelphia	1,950,961	19,421,000	770	252,220	9.95
Detroit	1,568,662	13,146,000	357	368,235	8.38

(All Sales Figures from the Retail Census of Distribution—1933. Population figures from Federal Census—1930.)

All the leading furniture stores in Los Angeles depend almost entirely upon the newspapers to develop their business—and most of them have found that their BEST BET is The Evening Herald and Express.

So far this year—and for many years past—The Herald and Express has carried MORE Furniture and Household Advertising than ANY OTHER Los Angeles newspaper—even including those with Sunday issues.

If you are selling any product for the home, the experience of most Los Angeles Retailers indicates that your FIRST advertising medium should be The

**LOS ANGELES EVENING
HERALD AND Express**

REPRESENTED NATIONALLY BY

PAUL BLOCK AND ASSOCIATES

NEW YORK CHICAGO DETROIT LOS ANGELES SAN FRANCISCO BOSTON CINCINNATI PHILADELPHIA



With these specially built autos Briggs Manufacturing brings its line of bathtubs right to the plumber-customer. The girl is merely atmosphere.

How Briggs Built a New Sales Force to Sell a New Line

BY D. G. BAIRD

SETTING up a complete sales organization to distribute a new product is a formidable task for any manufacturer. The task is an even more formidable one if the manufacturer is invading a given field for the first time. And then if the product itself is a revolutionary one in an old-established industry, the problem becomes one to deter all save the strongest and most aggressive.

The Briggs Manufacturing Company, Detroit, has performed such a task, and performed it thoroughly, in introducing its line of "Briggsteel" drawn metal plumbing ware. (SM, September 15, 1934.)

Prior to about three years ago, the company's production and sales had been limited exclusively to automobile bodies. It had never sold anything through established wholesale or retail outlets. It was fully equipped to produce almost any variety of drawn steel stampings, however, and it did the "impossible" when it produced a full-size, all-porcelain-enameled kitchen sink from a single sheet of such material and proposed to produce a complete line of drawn metal plumbing-ware.

By Spring, 1935, plans for both production and distribution had been definitely decided upon. One of the company's plants had been rehabilitated and equipped to produce a complete line of drawn metal plumbing-ware, including a variety of bathtubs, kitchen sinks, lavatories, laundry tubs, and related products. The manage-

ment had decided to distribute the new line exclusively through authorized plumbing supply houses. The market had been surveyed, potential volume had been calculated, available outlets had been tabulated and appraised, the country had been zoned, the number of outlets desired in each zone had been decided upon, and requisite selling power had been estimated. Don D. Smith had been brought in as director of sales and Charles A. McElhone as advertising and sales promotion manager.

They were ready to select, train, and equip a corps of sales representatives and introduce them to the trade.

There was no dearth of suitable material. On the contrary, there was an embarrassing abundance, which made the task of selection all the more difficult.

One of the major problems was that of whether to select men from the plumbing industry or from outside it. It was reasoned that inasmuch as "Briggsteel" is so different from cast-iron plumbing fixtures, it might be better to choose men who had not been steeped in the traditions of the trade; men who had been successful in selling more modern products. On the other hand, they should know plumbing and they should be well established in the trade. As it was impossible to find men who possessed both qualifications, the latter were given preference.

Salesmen were selected almost entirely on their records. Such details as

age, personality, energy, ambition, initiative, and experience were considered, but in the main the company reasoned that if a man's record proves him successful in a given field, and he has the contacts, that is pretty good evidence that he has the other desirable qualifications.

Training emphasized the first principle of successful selling—"Know Your Product." The men were asked to disregard what they knew of cast-iron plumbing fixtures and to learn very thoroughly the advantages of "Briggsteel" ones. For ten days they studied the product and how to sell it, beginning with raw materials and following right through the various processes, step by step.

Much time was spent in the stamping plant, where huge presses, exerting hundreds of tons pressure, form and shape the fixtures; then in the department where dies are made; in the porcelain plant, and in others.

There were lectures by authorities on steel, ceramics, engineering, color, architecture, and home economics. The men were told how the fixtures were designed, with emphasis on the fact that expert designers and artists, home economists, architects, builders, plumbers, manufacturers, press representatives, and just plain housewives had contributed suggestions and criticisms which had influenced the designs. They were told just why each fixture had been included in the line, why it was that shape, that color, and so on.

Portfolio an Important Aid

Then there were comparisons with competitive products, with emphasis on the advantages of drawn metal over cast iron.

Sales plans were taken up, next policies were outlined, and the representatives were familiarized with the house's method of procedure; with quotas, reports, and related details.

Sales helps include an exceptionally thorough analysis of each distributor's territory, plant, and organization, and an impressive portfolio presentation.

This portfolio, which fits into a leather case, is the wing-back-wing type, and contains 36 pages, 21 by 17 inches, developed in full color. A novel feature is the "pop-outs" on many pages—cut-out designs and figures which fold flat against the page when the book is closed, but which drop into position about an inch in front of it when the page is turned. One of these, for example, is the cut-out figure of an elephant standing on a Briggsteel bathtub to illustrate the fact that such a tub is light enough for a man to carry, yet strong enough to

CHINATOWN

SAN FRANCISCO



哈金山的中国
人睇西報边一家
最多呢?

詩路步律頭華
人好懂迎

The CALL-BULLETIN — as
dominant in the San Francisco
scene as Chinatown

SING LEE (*newly arrived from Canton*): Permit me to inquire, my most honorable friend, which daily newspaper is favored by the populace of this beautiful, cosmopolitan city?

BING LEE: By the sacred beards of all my ancestors, in San Francisco very nearly everybody reads and reveres the evening Call-Bulletin. Verily, 'tis first and foremost in daily city circulation.

Represented Nationally by Paul Block and Associates

THE CALL-BULLETIN — FIRST IN DAILY DISPLAY ADVERTISING

support an elephant. Incidentally, this cut-out was made from an actual photograph of the elephant on the tub.

Beginning with policies, the presentation stresses the fact that progress demands and implies change, and change means profit. Then Briggs challenges tradition with an entirely new product developed by three great industries: Steel, metal stamping and ceramics. Illustrations include micro-photographs of metals to show different surfaces, actual photographs of Briggs processes, color photographs of products, and many colored drawings. Old stoves, washing machines, and refrigerators are compared with modern ones, implying a similar comparison between old-style plumbing fixtures and Brigsteel ones.

Even safety is used as a selling point, since the Briggsteel bathtub has a kind of wave-like tread bottom to prevent slipping.

Strength, light weight, two-tone color combinations, modern design, acid-resisting features, and other advantages are illustrated and stressed in pert copy.

Then the market is illustrated and the point is made that this product is adaptable to old homes as well as new, while it is ideal for the rural market. It is to be pushed quite as much as a modernization feature as it is as new equipment. Beauty, style, modernity, pride of ownership, as well as utility, are to be stressed.

All Franchises Exclusive

The policy of selling exclusively through authorized distributors and master plumbers is dwelt upon in the portfolio. Distributors, by the way, are given a framed franchise on which their name is engraved. They are also supplied with suitable signs and literature.

"How Briggs Helps You Sell" outlines advertising and sales promotional plans. The company at present is running four-page inserts in full color in trade magazines, single pages in color in architects' and builders' publications, and some black and white in association papers and others. Consumer advertising in leading magazines and newspapers is expected to begin soon after the first of the year. Full color will be used wherever possible, Mr. McElhone said, since color and beauty are counted upon largely to arouse desire. All color ads at present are bleed size.

Each sales representative is furnished an automobile equipped with a special body (made by Briggs, of course) in which to carry samples. These cars—Fords and Plymouths—look like ordinary sedans, but the rear

seat and luggage compartment have been removed, or omitted, and an unnoticeable door installed in the rear, providing ample space for a bathtub or for two samples of smaller fixtures.

Following the general training school sessions, individual conferences were held with the men.

They then dispersed to their respective territories and worked for six weeks, following which they again assembled at the factory to discuss progress and problems and to review their earlier course of training. Dur-

ing this six weeks' period, Don D. Smith, director of sales, visited each representative in the field and spent some time with him in discussing problems encountered and in making calls with him.

The representatives appointed so far are regional managers. They are now busy lining up distributors, working with their salesmen, and doing missionary work among architects, contractors, builders and others. The plant is in production and deliveries are being made.

Announce More Charter Members for Federation of Sales Executives

AT the first meeting of the Committee on Organization of the National Federation of Sales Executives, held within the fortnight, Raymond Bill, editor of SALES MANAGEMENT, was elected chairman and Ben Lichtenberg, formerly vice-president of the Alexander Hamilton Institute, was elected secretary. The other members of this Committee are: Saunders Norvell, president of Ingersoll & Norvell; J. C. Aspley, president, The Dartnell Corporation, Chicago; W. V. Ballew, general sales manager, The Dr. Pepper Company, Dallas; Allen Zoll, president, International Association of Sales Executives; Kenneth Goode, president, Sales Executives Club of New York; Frank M. Surface, director of market research, Standard Oil of New Jersey, and president of the American Marketing Society; and Merrill Sands, general sales manager, Dictaphone Corporation, who is active in several sales executive organizations.

As this issue goes to press, this committee has about completed drafting of a constitution and program, which will be submitted to the charter members for their approval, together with a slate of officers and directors, who will hold office until the first annual convention which it is planned to hold at the Edgewater Beach Hotel in Chicago next year.

Following the ratifications of these matters by the charter members, the various sales and marketing associations, clubs, etc., will be invited to become association members of the Federation. Meanwhile, the group of charter members continues to grow, recent additions including: Paul H. Nystrom, Professor of Marketing, Columbia University, former president of the American Marketing Society; John G. Jones, vice-president, Alexander Hamilton Institute; B. R. Welsh, president Sales Managers Association of

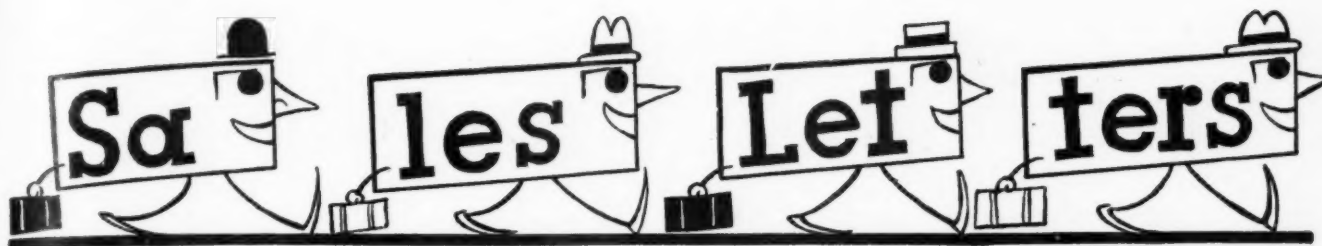
Kansas City; R. C. Mc Guirk, sales manager, Davenport Hosiery Mills, Inc., Chattanooga, Tenn.; M. J. Beirn, vice-president and general sales manager, American Radiator & Standard Sanitary Corporation; R. D. Keim, vice-president and director of sales, E. R. Squibb & Sons; John A. Stevenson, Penn Mutual Life Insurance Company, Philadelphia, and former president of the Sales Managers Association of Philadelphia; L. C. Stowell, president, Dictaphone Corporation; Lee H. Bristol, vice-president, Bristol-Myers Company, former chairman of the Association of National Advertisers, and H. W. Alexander, general sales manager, American Type Founders.

General Introduces Radically New Type of Tire

General Tire & Rubber Company is currently holding a series of sectional dealer meetings at which it is presenting its radically new tire, known as the "Dual 10" (See cover). The feature of this tire lies in its patented multi-vane tread, designed to give much greater traction and greater non-skid qualities, even on wet surfaces.

In putting sales emphasis on the safety feature, it is expected that the new tire can be sold largely on the basis of a specialty, and therefore, at a higher price than for the standard types of tread available in the rest of the General Tire line and in the tires being sold by its competitors. The specialty nature of the new tire will also permit of a larger margin of profit for the tire dealer, who has on the average been able to make relatively little or no profit during the past few years when price and mileage competition have been so keen throughout the industry. The new product will be sold through the established dealer outlets of the General Tire company.

SALES MANAGEMENT



BY MAXWELL DROKE

Graciously Heading Off Gratuities to Buyers

Here's an interesting letter, and I rather imagine a welcome one in certain quarters. At any rate, it is an adroit handling of a difficult theme. The letter goes out at this holiday season from the executive offices of the Roger Smith hotels, to a list of supply sources:

"To our Venders:
"The real spirit of Christmas is too fine to be spoiled.

"It has been a rather widespread custom among some venders to make Christmas gifts to buyers. We feel that this is a very bad practice as applied to hotels, and we have long had a rule that none of our executives or department heads are permitted to accept such gifts.

"We think it only fair to acquaint you with our viewpoint, as we believe all our employees would prefer to maintain a strictly business relationship with your company, and not be the recipients of gifts, which, in the final analysis, are really gratuities. Therefore, you will be saving yourselves and our employees embarrassment by discontinuing this practice.

"We assure you that we have enjoyed our relations with you, and that we intend to continue a fair and open purchasing policy, with merit as the only consideration.

"Extending to you the Season's Greetings.
..."

Reaching Parents through Letters to Children

During the Community Chest drive in a Middle Western city, this letter was distributed to children in the public schools. It is credited with doing much to give a better understanding of the fund, its plan and purpose. The inside pages describe and illustrate activities of various relief agencies, with an explanation of where the money goes and what it accomplishes. But I am especially interested in the first-page letter, which is addressed to the child. It is written in simple language, but with no attempt to "talk down" to the juvenile mind:

"Dear Child-in-School:
"We come, once each year, to you who know the happiness of a real home; to you who have the love, care and protection of parents.

"And to you we bring this reminder of those poor people—many of them children like yourselves—who will have no shelter, food or fuel unless we more fortunate folk give them aid.

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

"There is one important thing that you, as a child, can do to help. Please take this letter home with you. Show it to your parents. Ask them to read the inside pages, which tell of the work that is being done to help the unfortunate, the sick, the old people, and little children like yourselves. Then, in a few days, when the time for giving is at hand, we are sure that your parents will gladly do what they can to aid.

"Your friends,
"THE COMMUNITY FUND."

Watch the Lists If Your Letters Are "Personal"

So many of our excellent sales promotion ideas fail to achieve the results that they might, through some careless or stupid error; some failure to check on an important detail. I have said this same thing many times. I am reminded of it anew as I turn to a letter lately received from a big Eastern retail establishment:

"We miss your patronage. You haven't favored us with an order for a long time.

"You may think that one account makes little difference to a large firm like ours—but we assure you our regret over the loss of an old customer is, in a way, much greater than our pleasure in gaining a new one.

A good letter? Yes. But the only difficulty is that my account with that store is definitely active. Six or eight times a year—perhaps oftener—I have occasion to place a small order with that house. This has been the case over a period of several years. Probably what happened is that some executive got an inspiration for a "good will" letter and issued orders forthwith that it should be sent to "everyone who hasn't ordered from us in the past 60 days." And, without making an analysis of accounts, the letter went on its way to all and sundry. No, I don't harbor any hard feelings. I certainly shan't take my trifling patronage elsewhere. But it does reveal rather graphically the danger of blanket rules, when you are seeking to write what is presumed to be a "personal" letter.

How to Wheedle Favors with Three-Cent Stamps

Mostly, the advertisers who schedule a great number of small ads in the public prints send 'em out with conventional instructions—and a prayer that the make-up man will be merciful. Not so Warren Burgess, of the Knox Company ("Cystex").

He began, long ago, a constructive program to better the position of his little spot ads in newspapers. Every now and then there drifts into the business office of every paper on the "Cystex" schedule a breezy facsimile hand-written note from Burgess, the tenor of which is a good-natured plea to "give Cystex the breaks." Many are illustrated with informal snapshots. Here's an example:

"The guy on the left is 'Give-Cystex-the-Breaks' Burgess. Picture taken at Atlantic City, shortly after I had put the sun up. That accounts for the dazed expression.

"The other fellows are more or less sedate officers of a national drug association. They didn't compete in my Hog Calling Contest at the Steel Pier. I won!

"Best wishes, as always. And don't forget to remind your make-up man to 'Give Cystex the Breaks!'

"Cheerfully yours,"

The newspaper executive who handed me this remarked, "We get a lot of letters requesting preferred positions, but none of them make the impression that these notes do. I know they're good because they do make me give more thought to Cystex position." And that, after all, is the general idea!

A Commendable Version of the Reminder Letter

Here is what I consider a pretty good reminder letter—from Du-Plex Envelope Corporation:

"A well-known sales manager once said, 'Old friends are like the ticking of a clock. You get so used to hearing the tick of a clock that you rarely notice it until it stops.'

"We get used to doing business with old customers too—so much so that now and then we assume that everything is running along smoothly; and we sometimes fail to express our appreciation as often as we should. Then, suddenly, the clock stops—we find that you have not re-ordered for some time.

"As one business man to another, won't you tell us whether you are in need of another supply of Du-Plex envelopes. A postage-paid return envelope is enclosed for your convenience.

"Here's one of our handy reference cards for answering vexing mailing problems. If more copies are desired, be sure to ask for them."

* * *

Someone was telling me the other day of an ingenious idea used by the magazine *Esquire* in dealing with those who procrastinate in paying subscription bills. As a final effort, the subscriber receives the address slug bearing his name, with the explanation that *Esquire* has, reluctantly, been compelled to cancel the subscription. To reinstate, the tardy individual need only wrap a five dollar bill, or check around the slug and return it in an accompanying envelope. It sounds like an engaging idea.

Fine-Tooth Coverage of Territory Ups Sales for Fairbanks of Texas

Based on an interview by Ann Bradshaw with

R. H. MORSE, Jr.

Manager, Texas Division of Fairbanks-Morse & Company

BY creating new business in old fields, the Texas division of Fairbanks-Morse & Company is this month doing \$160,000 more business than for the same period last year.

The program for creating these new orders is under the direction of R. H. Morse, Jr., a grandson of the company's founder. He took over the firm's Cincinnati branch in 1932 and under his managership it made its first profit in nine years. With the same purpose, he came to the Dallas office last year and worked out a new business schedule. What is the key to the program that took Texas out of the red?

"To explain that, it is first necessary to explain the peculiar nature of our business," Mr. Morse told SM. "For 105 years we have been designers and manufacturers of mechanical and precision products, and that gives a company plenty of time to get in a rut. Particularly when those products are so great in number that our sales representatives have to cart around 60-pound catalogs—and so diverse as to vary from radios and refrigerators to water plants, electric pumps, oil field equipment, scales and Diesel engines—among the many items.

Reports Carefully Checked

"But perhaps the key to our making the most of new selling in old places lies in our *more systematic coverage of the territory*, which involves a number of factors.

"In the first place, we have made it impossible for a salesman to go into a town and scan the telephone directory, copy down names for our benefit and not actually call on customers. Each dealer must be visited at least once every 21 days, and we use a system of blue reports to see that there is no falsification of the call. These blue reports, which are sent in daily by our salesmen, come directly to me rather than to the department managers. If there is anything wrong, I

take it up with the department managers instead of their bringing it to me.

"Each of these reports is detailed. The salesman not only lists the firms he has called on and what they bought, but he reports in detail on each article he has discussed with the customers and any criticisms offered by them.

"To check up on this report, we send out, direct from the manager's office, a courtesy letter to the customer and ask some question about our salesman's call. If the salesman has made out a false report, it immediately comes to light.

Manager Travels with Men

"Further, I spend a considerable portion of my own time calling on dealers with salesmen and making references to what the salesman reported that he talked about on his last call. When I casually say, 'Now, Mr. Customer, when Mr. Johnson came in a few weeks ago I believe he brought our new third dimension tone radio to your attention,' it's simple enough to see whether Johnson lived up to his report.

"Perhaps one of the major reasons why we have increased our business lately in old places lies in our method of keeping salesmen selling our full line, rather than concentrating on one phase of it—which is no minor job in view of our varied list of unrelated products. In small towns engine sales have dropped because the farm has become electrified, and refrigerators and radios are on the upgrade. Our salesmen might make their sales quotas with refrigerators and radios instead of filling engine and windmill needs by selling the small-town dealer electric pumps, for instance. But we have no need of a salesman who can sell only refrigerators and radios. He has to sell the whole line, or he's out. We accomplish this by having a salesman's quota based on percentages from each of our departments. He can't make

his quota with sales from only one division.

"When a salesman is slumping in one department, we know it at once, and see that he gets further instruction about that department. For instance, if a man is not making his percentage in the pump department, we instruct our department manager to put him to work on a series of problems likely to come up in his contacts with dealers—as what size pump and what size motor would be needed on such and such job. These lessons usually straighten out the difficulties, for ordinarily when a salesman fails to sell any of our merchandise it is because of a lack of sufficient knowledge to convince the dealer.

"This set-up of using department managers as instructors makes it necessary that they be unusually high type salesmen and well-informed about our business. That is why we start men off in the office at small salaries in order that they can study our merchandise. Later we can spend money, after we've tried their mettle, to send them to our factories for intensive instruction for several weeks before we actually put them to selling, and finally



"Bob" Morse saw possibilities for new sales in old fields, and worked out a remarkably successful plan for getting them.

make them department managers.

"Although many of our best salesmen are not college trained, we consider college engineering students especially good salesmen material because of their engineering and general knowledge. The only difficulty is getting them to realize that we are unwilling to bow to them, to pay them more or give them privileges at the outset. Our explanation to them is that a doctor spends seven years in preparation and study, and that a somewhat comparable study is essential to any career that is worth while."

SALES MANAGEMENT

Macfadden Emerges from America's Six Year Debacle with the Largest Voluntary Magazine Circulation in the World*

Rather an amazing result to fall within the life of one man who began with a single publication about a third of a century ago. But its importance lies not merely in this outstanding achievement of Macfadden but in the far more broadly significant thing that is happening in America and which has not yet been put into words.

And it is this significant thing that is happening in—not to—America (nothing is happening to America) that brings us back once more to these editorial pages which had consideration amongst thinking minds a few years ago.

This significant thing is the *psychological change* that has taken, and is taking, place amongst a great, broad mass of American people—a change which gives assurance that some of the ideas and ideals of the past can find fulfillment. *That change being the settling down of a great mass of people from a useless and untidy waste of wild expenditures to a stabilized demand for useful and usable goods.* And this will be the subject of these pages to follow. In other words, the emergence of an entirely new market as America itself emerges.

★ ★ ★ ★

It is interesting to note, at the start-off, that the beginning of this significant change, which is now in full flow, must be credited entirely to the great manufacturing interests themselves of these United States.

The concept of this new era in American affairs began with important big employers themselves *who clearly saw where their mass production schedules were leading them*, who clearly understood that new mass markets had to be found to absorb that mass production, and who *consciously changed the whole course of world history in their effort to achieve this result.*

Russia talks about her economic revolution. *That economic revolution started right here in these United States* when America first discarded the age-old idea of *labor as a commodity* and, by voluntarily raising wages and shortening hours, created the brand new idea and ideal of *labor as a market*; thus, *changing the very basic tenet of the whole capitalistic system*, and doing it far more intelligently than Russia ever dreamed of.

*Voluntary circulation is the number of copies of a magazine that people will buy, issue by issue, if left to their own devices.

But that is now an old story which need not be repeated here. It may be interesting to remember, however, that the story of that tremendously important change in the economic set-up of the world was first put into words in a similar series of these pages sponsored by Macfadden Publications nearly ten years ago.

That new concept of a *participating world*—a world that was at once *maker and user*—had its first set-back in 1921. And nobody knew just why. No sales manager who had a big production schedule on his hands will ever forget those early post-war days. He didn't know where his markets were nor how long they were going to last. Every market he dealt with was as unstable as a whirling feather in a gust of wind. The only mass market that could be counted upon was *the steady demand for pink silk shirts and green silk socks*, accompanied always by a *riot of powder and perfume*. And the result was the crack-up of 1921.

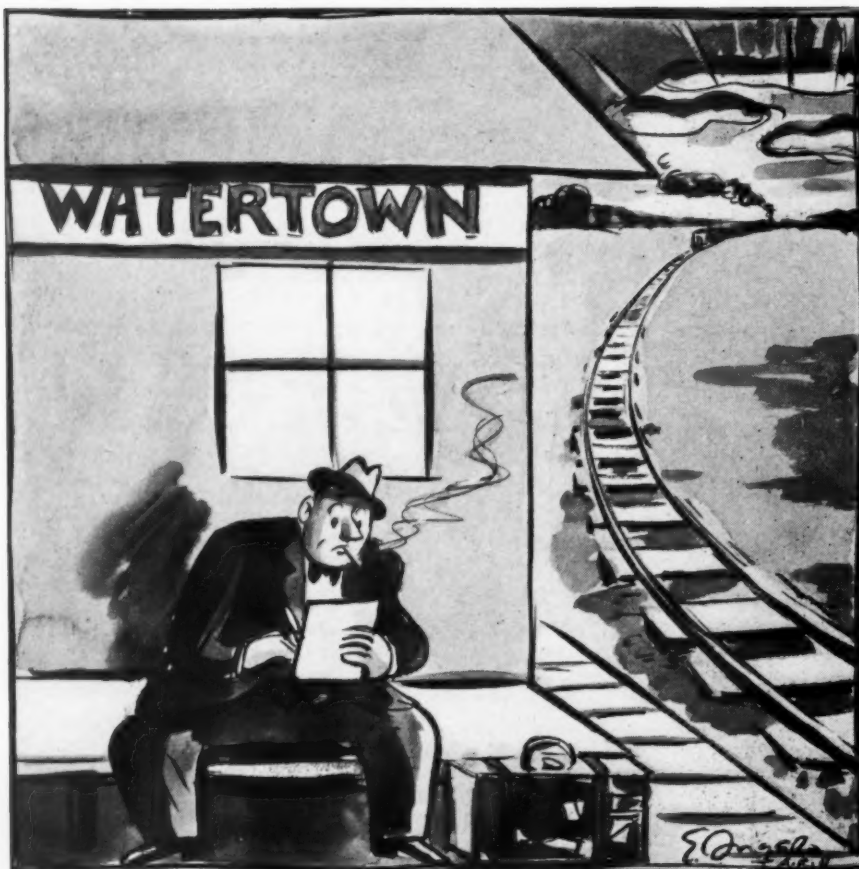
The second set-back of this new concept of a participating world came, of course, with the great debacle of 1929. And that will be taken up more fully in later pages. Suffice it to say, for the present, "*debacle*", not "*panic*", is the word to use in relation to 1929. *Debacle—a sudden disruption*—as when a mighty river breaks its dam and rolls down over the peaceful people below, with "*panic*" merely the helter-skelter activity that follows it. *Debacle, the gathering of forces too great at the top, with outlets too narrow at the bottom.*

It was evident even then to thinking minds that something was definitely lacking in the plan. But the world moves fast. Even since that time changes of such significance have taken place that a whole new world is opening up to us.

These changes and their significance will be discussed in the pages to follow. It is hoped they will again put into words what America has been putting into deeds.

The fact that Macfadden has emerged from this six year period with the largest voluntary magazine circulation in the world is an important fact in verifying these changes and a most important factor in pointing up their significance.

But the most important things are the changes themselves which give assurance of wider and more substantial markets, as America itself emerges.



The Baum Supply Co.

Dear Boss:

Are you sure the signature on that *House & Garden* coupon said "Watertown"? It couldn't have been "Waterbury," could it?"

Still another factor involved in the Fairbanks-Morse comeback in Texas is a Construction Contest with turkeys for men who make their quotas in the contest. The general quotas are made for the three-month Construction Contest (to build a tower of sales, etc.) by adding the salesman's salary and expenses and multiplying them by ten. Salesmen who have reached their quotas by December 15 will be given milk-fed turkeys from an experimental turkey farm in Chicago. Some of the participants have already "tagged" their turkeys at the end of the seventh week.

"Any kind of a race stimulates our salesmen, not because of the prize, but because men hate to be last," said Mr. Morse. "They hate to show up as poor salesmen. Further, they know that to lag behind means that they'll be called on the carpet for good reasons."

Turkey winners will enjoy the additional honor of having their names published in *Rivets*, the Fairbanks-Morse house magazine which covers the United States, and the high man will get a \$100 radio.

Krim-Ko Builds Sales among Youngsters with Cartoon Comic Sheet

K RIM-KO, chocolate flavored milk drink, is sold through licensed dairies and delivered with the morning milk. While its distribution is in every state, only certain cities are covered, and in those cities only one dairy holds the franchise.

Because of these limitations advertising becomes a peculiar problem. When the 1935 campaign was planned, officers of the Krim-Ko Company, Chicago, checked the possibilities:

"National radio? We would be telling our story to millions in waste circulation. Magazines? The same leakage. Newspapers? Well, they could be spotted to a limited degree, but there's still too much waste. We must reach first the children and then the parents living only on the milk routes that distribute Krim-Ko."

Gundlach Advertising Agency, Chicago, gave the answer to the perplex-

ity: A tabloid publication to be distributed by the milk-wagon drivers to their customers. No disguised advertising was to be injected into the entertainment material.

Contents of the magazine are aimed to attract, in the main, boys and girls between the ages of 6 and 16, but of sufficient quality to appeal to older members of the family as well.

After a careful survey it was decided to make the publication consist chiefly of cartoons as the feature nearest approaching universal appeal. From this decision emerged the "Krim-Ko Komiks," a miniature newspaper colored comic section.

Milk wagons carried the "Komiks" every Saturday morning and kids trailed the wagons like the tails of comets. To date 21 numbers have been issued. Circulation fluctuates according to season and the orders of dealers. So far they've ranged from 150,000 to 300,000 weekly.

Business, since the "Komiks" were started, has increased about 20% and when the little magazine was dropped for a few weeks in order to get a gauge of its popularity a great cry went up. The kids wanted 'em.

In the beginning 16 pages were printed, type page approximately 7x10 inches. The first numbers contained features based on American history and science, as well as brain-twisters, puzzles and contests. After checking for interest these have all been dropped. Action now concentrates on mystery and adventure series and acrobatic "funnies." Recent issues have been from four to eight pages.

From the beginning the schedule has called for 75% comics and 25% advertising. All of the cartoon comics are drawn specially for Krim-Ko Komiks by successful newspaper comic strip artists.

"This thing has developed until it is not a circular but a premium," A. D. Pitney, veteran newspaper and magazine man who supervises publication of the "Komiks," told SM. "The idea is that it is delivered only to homes where Krim-Ko is delivered. The only hole in the scheme is that all the kids along the milk routes mob the drivers, and milkwagon drivers, being human, do loosen up for the kids."

Regular advertisements run with the comics inform parents facts about Krim-Ko, including these points:

That it is supplemental to milk, is not a milk substitute, but is made from partly de-fatted milk to which chocolate flavor and tapioca salt has been added; that it carries the seal of acceptance of the Committee on Foods of the American Medical Association; that it supplies the needed calcium to insure sound bones and teeth.

SALES MANAGEMENT

BY
WALTER E. MAIR

Field Editor

The Nation's New Front Yard

Tourists and Movies Now Incidentals
in Los Angeles Business Life—Average
Factory Worker's Earnings Top
Major Cities—Boulder Dam Has Al-
ready Brought Better Business.

Los Angeles, November 6

ALTHOUGH there are hundreds of sales managers who know better, and to their companies' profit, it is still rather widely believed in the East that Los Angeles spends most of its time between October and June in a sort of industrial "iron lung," supervised by agitated publicity agents who light one cigarette from another and hope that the motion picture industry will keep business going until the next flock of tourists arrives.

Los Angeles is the fourth city of the United States in population and ranks sixth place as a county, in value of manufactured products, among the 3,072 covered by the 1933 Federal survey. In 1919 it ranked 27th.

There is a popular belief elsewhere that Los Angeles is a "cheap" town—made so by the "fact" that many people attracted by its marvellous climate have savings or investments sufficient to provide for perhaps half their wants and are willing to work out the balance at wage rates far lower than those prevailing in other large cities. That may be so—but Government figures say the opposite. The 1933 census of manufactures shows that average annual earnings of all factory workers in the Los Angeles area were \$1,085, as against the following for the industrial areas of selected centers: New York, \$1,072; Boston, \$944; San Francisco, \$1,072; Chicago, \$1,030; Detroit, \$1,072.

Retail stores all over the country

maintain buying offices here, ever on the alert for fashions and products unique in the territory; commodities not cursed by the continual pirating of ideas which is characteristic of Eastern garment manufacturing centers.

With air delivery to New York possible inside of 24 hours, this growing list takes on added significance. I am told that only two weeks ago Macy's wired to Los Angeles for sample showings of a dress they had been offered. It had that "Hollywood something" they wanted, and the order was "Ship by air express."

Before the close of business the next day that number was on display at Macy's in New York, and will the gentleman who thinks that American style enterprise ceases somewhere near the western edge of Rochester, New York, please file the foregoing for future reference?

As this is written, with travel figures close to 30% above last year's, the better hotels continuing to do excellent business, stores stepping up not only gift and seasonal merchandising, but also such great establishments as Barker Brothers moving increasing quantities of the key lines of home furnishings, it is easy to see why a battle royal is on in this territory for increased national advertising and why busy salesmen are shuttling up and down from San Diego to Seattle booking orders for Los Angeles-made goods.

Eastern manufacturers, egged on by

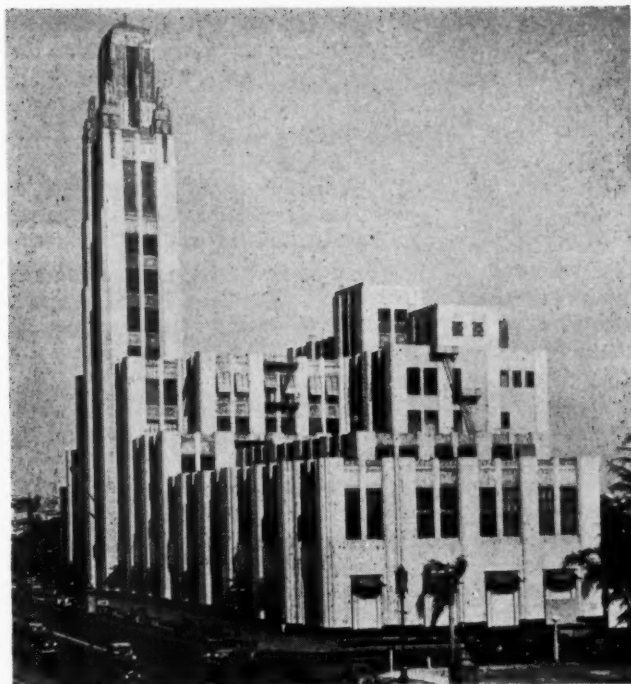
the prodding of branch managers on the firing-line, are coming back in the local advertising field, some after long absences.

Congoleum, which has done little for nearly five years, is back in 6x15 weekly and bi-monthly schedules. Good old MJB coffee is coaxing the breakfast palate once more after a reported three-year layoff.

Several other food accounts are sailing out of their snug harbors under the spanking breeze of unmistakable buying demand and increased consumer responsiveness. All the principal newspapers here have started their food classes, giving excellent tie-ups with national campaigns for quality products.

Several accounts are very intelligently forgetting that buying response is not a matter of the old quota expirations, but of what is happening to spendable income and consumer attitude. Result: such local accounts as Jell-Well begins scheduling November 15 instead of January 1.

Since the Los Angeles Times bars hard liquor advertising, National Ad Manager Hartford's staff has been playing with any number of ideas to hold lineage gains through other channels of consumer interest. You may have thought otherwise, but this is one city where home furnishing business goes great guns when it goes. So the Times cooperated with Sloan Furniture Co. in a special rotogravure, giving blanket coverage on distribution.



Ewing Galloway

The famous Bullock's department store is not only Los Angeles' finest but is said to be the finest department store building in the world. Bullock's and other leading Los Angeles stores are enjoying a big upturn in business.

"Within four or five days they reported \$75,000 worth of business," the *Times* says. "Dollar day here, with carfare refunded, broke all records. Our meliograph special sections, two colors and black, have done a good job on Spring and Fall fashions. Stores tied in their window displays particularly well with our recent 'Modes of Autumn' number. Up to September 21 we showed 455,500 retail, as against a previous lineage of 382,000. Other gains have been encouraging."

The *Examiner* has completed a survey to establish claims to primacy among readers of the larger income groups, and consequent maximum coverage of major spendable income territories. Space forbids enlarging on an expensive cross-sectional survey, using "color zones," based on census of distribution income classifications, of green, yellow and red, for low, medium and higher income levels.

Circularization has been cross-checked by door-to-door canvasses, as many variables as possible, eliminated, duplications of circulation an-

miles as a shopping radius, rather than 10, is what looks logical to executives these days.

The important fact, from the viewpoint of Mr. Publicity Impresario Findlay of the Chamber of Commerce, is that any newspaper that is getting good reader acceptance in this territory today has something to sell. And he cites \$103,000,000 WPA allotments hereabouts as just one item in a long chronicle of facts proving that the pump is pretty well primed in Southern California, so much so that it's bringing up business nuggets like a forty-niner's trained hound-dawg.

And speaking of water—according to figures recently released by the Los Angeles Bureau of Water and Power, there has now been impounded back of Boulder Dam a total of 4,654,800 acre-feet of water. This body of water, which already has become the largest man-made reservoir in the world, has reached an elevation of 927.8 feet above sea level and is more than 300 feet deep. The inflow of the Colorado River and its tributaries on July 26 was 15,900 cubic feet per

here. They do not have to wait for them until the dam is entirely completed, the power lines up, the conduits in operation, and the irrigation canal finished. Many sales executives might jump to the conclusion that Los Angeles would be a better market several years from now when all of those things have come to pass, and if he is as blind as that he would be very blind indeed. The expenditure of money for all of those things is now going forward in full tide, and that means better markets today. Every business firm in the region sees the shadow of all of these things here right now and it has resulted in so much stimulus that the better business that Boulder Dam is bringing to Southern California is already here, and will come with increasing measure for a long time to come.

Work has been started in Los Angeles County under direction of U. S. Army engineers on an extensive new flood-control program. The projects it comprises will cost approximately \$20,220,000, three-fourths of the amount expended to come from the \$4,880,000,000 allocated by Congress for the public works program. One-fourth of the cost, \$5,000,000, will be borne by the County Flood Control District, which furnishes the plans and rights of way for the projects.

Industries Flock to L. A.

During the depression an impressive number of far-seeing manufacturers took advantage of lowered realty values and building costs and established branch factories in the Los Angeles district. Among them are:

1930

Anaconda Wire & Cable Co. (California Wire Co.)
Arco Co., (Paints), Cleveland, Ohio.
Columbia Phonograph Co., Bridgeport, Conn.
Liquid Carbonic Company, Chicago, Ill.
Nehi Co. (Beverages), Columbus, Ga.
Phelps-Dodge Copper Products Corp. (Inca Mfg. Div.), New York.
Philadelphia Quartz Co. (Silicate of Soda), Philadelphia, Pa.
Standard Brands of California. (Chase & Sanborn), New York, N. Y.
Swift & Co. (Associated Meat Co.) Chicago. (Meat Packing.)
U. S. Rubber Co. (Samson Tire & Rubber Co. Div.), New York, N. Y.

1931

American Maize Products Co., New York, N. Y.
Firestone Tire & Rubber Co., Akron, Ohio. (Battery Plant).
General Foods Corp., New York, N. Y. (Jell-O, Maxwell House and Sanka Coffee.)
Sealright Co. of the Pacific, Fulton, N. Y.

1932

Canada Dry Ginger Ale Co., New York, N. Y.

(Continued on page 662)

SALES MANAGEMENT



Ewing Galloway

Tourists and movies aren't everything to Los Angeles, but they are something. This is Hollywood at night during a well-known film "premiere."

alyzed. The *Examiner* appears to present an excellent claim to strong morning and Sunday leadership straight through, and is offering to those interested in complete details of the survey several surprising revisions of the merchandising picture.

This isn't worrying the other Hearst office very much. The *Herald-Express* finds business more than encouraging and is well satisfied with the number of its claims to excellence based on high concentration in the known high-and-medium-income areas of the logical shopping territory.

I find here in Los Angeles, however, as I did in Oakland, that 40

second and the outflow 10,280 cubic feet. The peak inflow of the season occurred June 19 when 105,000 cubic feet of water per second was recorded. The water already stored in the reservoir would provide each man, woman and child on the earth with 700 gallons. All this by way of a reminder that Los Angeles County will be faced by another unusual task when the water and power which results from this huge developmental project reaches the Southern California coastal plane.

One of the points about this combination of power and water development is that the fruits of it are already

*So Modern It
Almost Talks*

HAGSTROM'S LOOSE LEAF MARKET ATLAS OF THE UNITED STATES

**NOTICE
PRICE
INCREASE
JAN. 15, 1936**

A new and usable study of markets,
media coverage and sales potentialities.

A modern method of visualizing charted
facts and figures.

Nothing like it in the field of market research

A sensational service now used by the sales and
advertising executives of nationally known firms in more
than sixty (60) major industries.

Among its many new and exclusive features

State surveys endorsed by many sales executives.

Weather maps that help to control the sales and advertis-
ing of products affected by sunshine, rain or temperature.
First maps of their kind.

New and usable charts and maps showing distribution of
state populations.

The widely used Hagstrom Marketing Centers Maps.

Unbiased surveys of media coverage. For the first time in
a market study, newspapers, radio and magazine circula-
tions are analyzed on the same basis at the same time in
each individual state area.

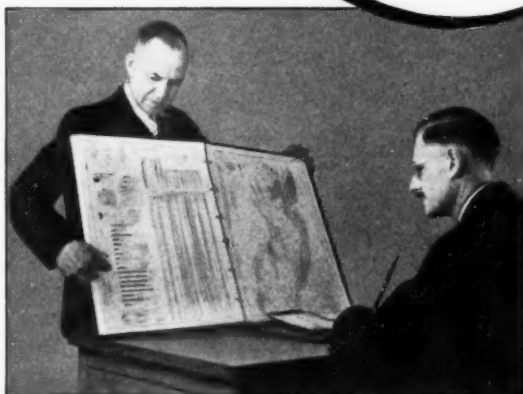
New indices to consumer buying power.

Practical presentation of statistics relating to home owner-
ship, distribution of wealth, consumer buying power and
other factors that influence sales and advertising efforts.

Retail sales checked and charted against distribution of
population by counties.

Sales manager's and advertising director's most important
statistics charted against family groups.

Scores of time-saving services for the busy business
executive.



NOTICE SIZE Pages 17" x 22"
Complete statistical department in one volume.
Loose leaf binder 224 pages

NOTICE

On January 15, 1936, new features will be added
to Hagstrom's Loose Leaf Market Atlas of the
United States. On that date the
price will be increased to **\$30.00** F.O.B. New York

Full 1936 service
will be rendered
to all who pur-
chase before
January 15.

Further price
increases will
be announced
later in 1936.

HAGSTROM COMPANY, INC.

ESTABLISHED 1916

20 Vesey Street

New York, N. Y.

*First Edition
Special Price*
\$24.50 F.O.B. NEW YORK

This introductory offer includes one
Hagstrom Marketing Centers Map
of the United States.

Wall size 44 x 64

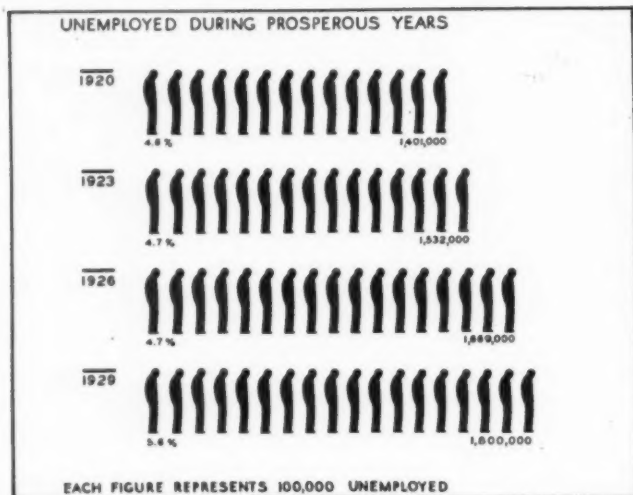
Regular Price \$6.00

(Not included after
Jan. 15, 1936)

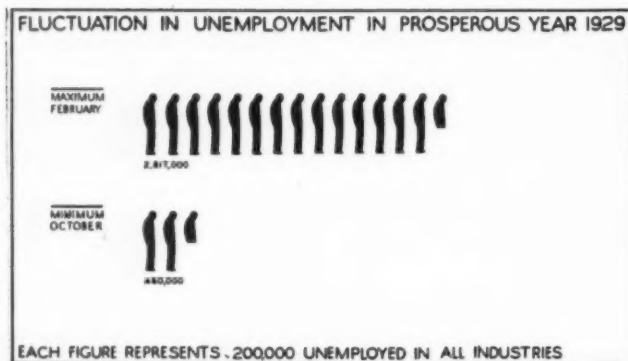
THERE are sales managers and advertising executives who can get along with-
out this book — BUT — they are doing a lot of unnecessary work.

Unemployment and Relief — Yesterday and Today

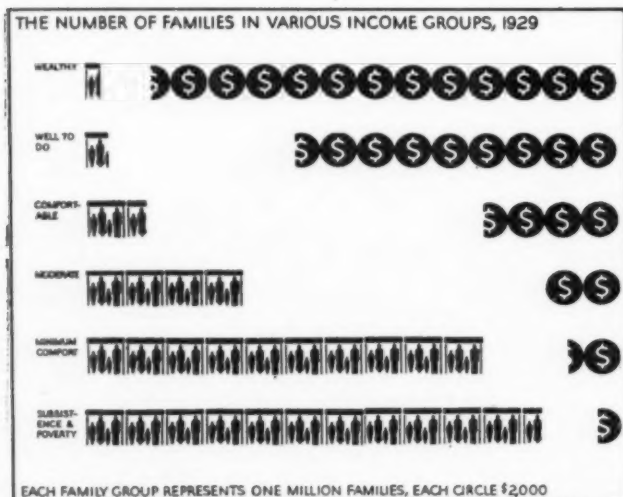
The charts below are among many which tell the story of unemployment and relief in two current Washington booklets—"On Relief," published by the Federal Emergency Relief Administration, and "The Need for Economic Security in United States," published by the Committee on Economic Security.



The hazard of unemployment is not alone a depression phenomenon. The years figured in this chart were relatively prosperous, yet represent approximate periodic lows of unemployment from 1920 to 1929 inclusive. The figures cover all industries except agriculture.

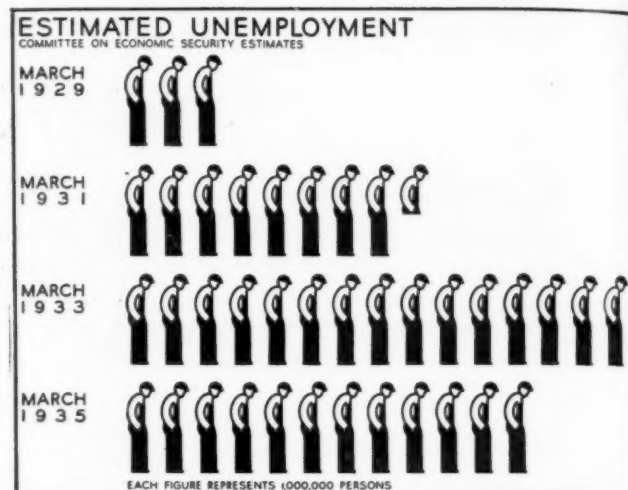


The current production experiment in the automobile industry is designed to iron out such monthly fluctuations in unemployment as may be seen in this comparison of two months in the prosperous year of 1929.

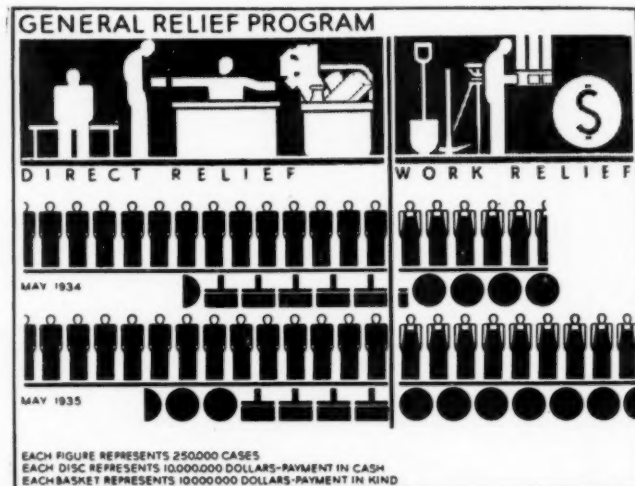


The social security laws are designed to protect the 42% of all families which in 1929 received incomes of \$1,500 or less. In the same prosperous year 80% of all families received an income of \$3,000 or less, according to "America's Capacity to Consume."

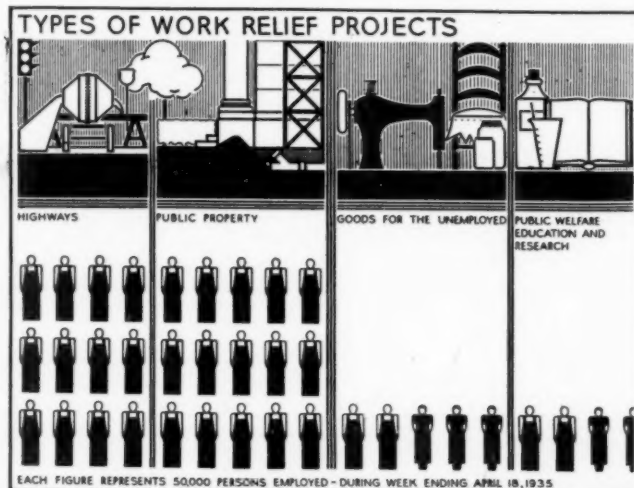
The Committee on Economic Security estimates that the number of unemployed workers increased from 3,000,000 in March, 1929, to 9,500,000 in March, 1931, and to 15,000,000 in March, 1933. Many of the out-of-workers are, of course, unemployables.



Work relief is playing an increasingly important role in caring for the relief population. In May, 1934, about 90% of all direct relief grants were made in the form of commodities, whereas a year later only about 60% of such grants were in the form of commodities, and, with the completion of the WPA program, probably 90% will have their own cash to spend where and when they please.



About 88% of men on relief are engaged in highway construction or on other public property jobs. Two-thirds of the women on work relief projects produce goods for the unemployed and the others are in public welfare, research, and educational work.





Call at the HOUSE NEXT DOOR..

THAT'S WHERE THE FAMILY WITH MONEY LIVES!

HALF a dozen salesmen trying to get in to sell one housewife—only one calling on the home next door! It's tough on the six who are concentrating on the one home—the housewife hasn't a Chinaman's chance of listening to them all!

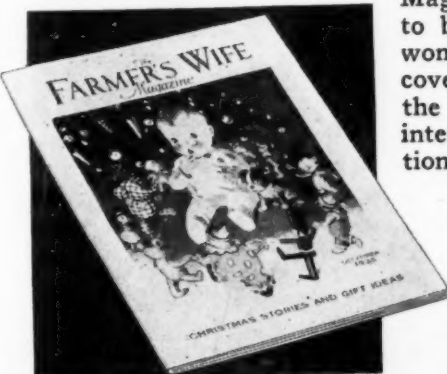
But what a heaven-sent opportunity for sales for the firms represented by the lone salesman who's calling on the family next door. The housewife can listen—and she has more money to spend.

And that, friends, is just a statement in parables of the situation in the magazine field today. Where half a dozen women's magazines—and a score of others—fight for the city woman's attention there is only *one* which "calls on the family next door"—the tremendously rich rural women's market. Every other woman's magazine in America is written for and about the city woman. Only *The Farmer's Wife* Magazine is written to be read by rural women from cover to cover. Others ignore the rural woman's interests—the conditions under which

she lives, cooks, raises her children, and under which she shops. *The Farmer's Wife* is devoted to those interests exclusively and is edited by women who visit hundreds of rural homes and talk with thousands of rural women every year.

Is it any wonder, then, that rural women say: "The *Farmer's Wife* is the only magazine I read through?" And is it any wonder that advertisers get astounding results in the farm market through this medium. Remember, *The Farmer's Wife* is the only magazine devoted to the women who are right now enjoying the biggest income gain per family in America. Its circulation effort is concentrated in the 1289 counties which share the major part of America's farm wealth.

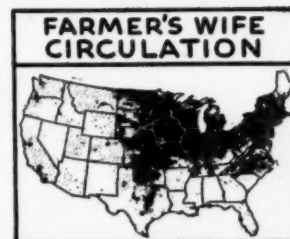
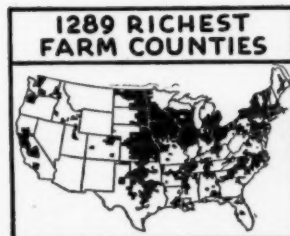
Call the nearest *Farmer's Wife* representative and ask him to bring up his books on the Rich County Farm Market. He'll tell you how to get acquainted with the heavy-buying family next door.

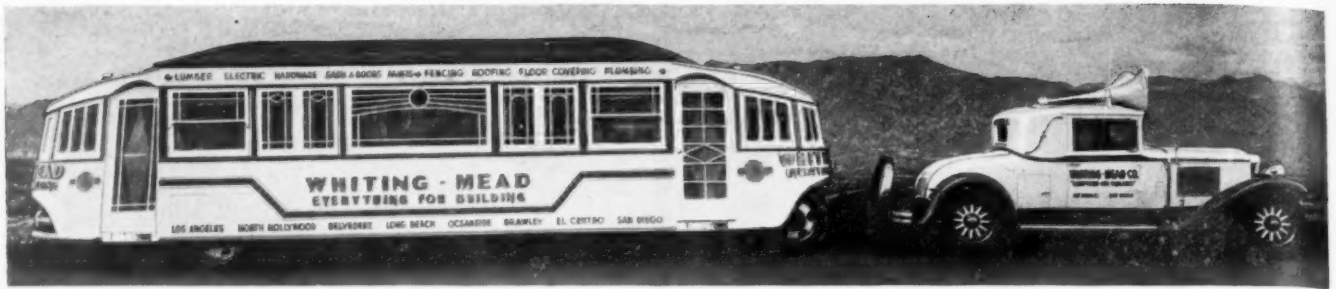


The FARMER'S WIFE Magazine

The Woman's Magazine With Fastest-Growing Reader Income
 NEW YORK
 405 Lexington Ave.
 CHICAGO
 307 N. Michigan

ST. PAUL
 55 E. 10th St.
 SAN FRANCISCO
 155 Montgomery





Super-Trailer: More than a million people have inspected the complete exhibit of building materials in this car. Whiting-Mead Company, Los Angeles, sends it rolling through Southern California so that home builders and owners may see that "Pacific Coast building materials are equal in quality, beauty and economy to any in the world." It has attended many fairs,

expositions and celebrations, with an especially long stop at the San Diego Exposition. Some 17,000 miles have been covered by the showroom on wheels, which will continue to travel until January 1. No sales are made in it, nor are orders taken. But catalogs and other information on everything that goes into a house are distributed by attendants.

Some Simple Rules for Conducting a Wide-Awake Sales Meeting

Part II of an Article in Two Parts

BY CLARENCE N. CONE

(Training courses for salesmen are abundant, but there are few for the guidance of the sales manager and supervisor. The author, therefore, has designed a course in "Practical Field Sales Management" for the latter's use. These extracts, Part I of which appeared in the November 15 SM, are from only one chapter; there are 18 in the full course. Mr. Cone has had years of experience in nearly every branch of salesmanship. The editors wish to acknowledge his courtesy in permitting reproduction of these quotations.)

AN obvious, but effective, method of getting a sales meeting off to a good start is by calling for orders. The best producer should, of course, receive your congratulations.

Sometimes it may be advisable to ask the leader to tell the others how he did it, or, if you happen to know of some unusual sales feat in connection with one of the order signed, you may want that salesman to tell the others how it was accomplished. Nothing can start a meeting off with more enthusiasm than a good showing of orders handled as suggested above.

Sales records, being so closely related to orders, should follow immediately. All salespeople like to know how they stand in their organization. If the entire group has made a good record during a recent period of time they should be complimented on their achievement.

If they have excelled some other similar group they should be commended, but if some other similar group has done better than they have, they should not be scolded for it. Instead, they should be encouraged to do better in the future. If there is any scolding to be done, wait until the meeting is under way, unless the entire purpose of the meeting is to be one of denouncement with the idea of stirring the group to action through that method.

If there are any prizes to be awarded, or recognition given for deeds of merit, now is the time to do it with greatest effect.

Unless there is definite reason for doing it later in the program, a very effective thing to do immediately following orders and sales records, and sometimes following the address of welcome, is to have a typical sales presentation which will be made by you or another company representative, or by one of your leading salesmen if you have one who can do it well. Such a sales presentation should be carefully prepared, and rehearsed beforehand, so it will go off smoothly and be realistic. Nearly every salesman enjoys watching a typical sale and, if it is properly prepared and presented, such a presentation can be made very helpful to all salesmen present.

Usually not more than a half-hour will be devoted to this feature. Since

there are very few things that can actually be sold in so short a time, it will usually be desirable to select some few important sales points or certain sales tactics that you want to demonstrate at each particular meeting. In announcing the presentation you will want to outline a supposed set of conditions and explain what is assumed to have taken place between salesman and prospects before the demonstration starts.

A typical sale playlet must be well planned in advance to be effective. It may not be necessary for all participants to know their parts verbatim if they are versatile enough to act their parts well without doing so. Since you will have the most to say, and since the things you will say are just the same as you say to nearly every prospect you talk to, it should not be necessary to learn any of your lines word for word—unless they are the ones concerning the major point that you want to make.

Fix the "Buts" Beforehand

However, the objections that are to be raised should be decided upon in advance so you will have your answers well thought out. Therefore, it will usually be advisable for the people acting as prospects to have a list of the objections they will raise, in some inconspicuous place on the back of a magazine or on the top of the table, so they will state them at the proper time and in the proper order.

If you have never tried anything of this kind, you will be surprised how easy it is to do after you have rehearsed with your prospects a few times. But such a play should never be attempted without rehearsing unless you have had a great deal of experience.

The opening talk of a sales meeting should sound the keynote for the meeting. The nature of the talk will determine whether it should come before or after the sales playlet, if a playlet is used. It will open with some words



PARDON OUR *false whiskers!* ...these are the months we play Santa Claus

LINAGE classifications may mean much or little. Mostly little, we think. But there is one classification that makes us feel pretty good—Toy Advertising, in which The News is tops—and has been for several years. Just look at the (*Media*) records:

TOY ADVERTISING IN NEW YORK NEWSPAPERS

November & December 1934

PAPER	LINAGE	% Total	REVENUE*	% Total
NEWS	120,330	33.7	\$75,746	48.3
Journal	42,285	11.8	20,003	12.7
Times	24,718	6.9	13,156	8.4
American	29,636	8.3	10,688	6.8
World-Telegram	27,026	7.6	10,092	6.4
Sun	28,272	7.9	8,751	5.6
Mirror	21,803	6.1	7,235	4.7
Eagle	34,557	9.7	4,971	3.2
Herald Tribune	10,611	3.0	3,473	2.2
Post	13,410	3.8	2,083	1.3
Times Union	4,103	1.2	533	.4
Total	356,751	100.0	\$156,731	100.0

*Estimates by News Research Dept.

The toy merchant has a brief season in which to make merry and make money—or else. The fact that The News last year carried 34 accounts out of 58 in the field, ran a third of the lineage and got almost half of the money, indicates that The News is the particular Santa Claus of the toy advertiser, as well as the New York public.

Toys mean kids. Kids mean families. You want 'em. We have 'em. Q. E. D.

THE NEWS

NEW YORK'S  PICTURE NEWSPAPER

Tribune Tower, Chicago • Kohl Bldg., San Francisco • 220 East Forty-Second Street, New York City

of welcome which may be followed by a short summary of events since the last meeting. Some remarks concerning the general business situation may then be in order, and some particularly fitting newspaper comments or quotations from prominent business people, especially those in your line of business, may be given.

These preliminary remarks, which are only introductory, will be followed by some subject which will place the audience in a receptive state of mind for the remainder of the program. The opening talk should never be allowed to become monotonous.

The subjects to be discussed between the opening and closing talks will be more or less standard subjects pertaining to your particular business, and the order in which they are to be presented will be almost automatic. However, one suggestion which may be helpful: The less interesting subjects should be covered at times when the audience is least likely to be tired, immediately following intermissions.

By doing this you depend on the interest of your audience in other subjects to offset their natural inattention resulting from being tired of sitting and listening.

Eyes Help the Ears

Charts containing illustrations and outlines of subjects being discussed are of great value in a sales meeting. They help to hold the attention of the audience, and they also have the value of causing the most important points to reach the listener through the eye while the same message is reaching him by the ear. This is a fundamental sales principle which should never be overlooked in a sales organization. The lettering on such charts should always be large enough, and of the proper colors, to be seen by those seated farthest from the chart.

Many prominent organizations have specially constructed pedestal boards on which charts may be hung. They are always designed so the chart is inclined slightly backward at the top in order that reflected light will not make the lettering on the chart difficult to see.

They also have special chart-pads of paper consisting of large tablets about 20 by 30 inches in size and containing 25 or 30 sheets. These chart-pads can be obtained in blank so the outlines and illustrations used for a sales talk can be lettered by a sign writer or by anyone who can print well with a large crayon.

If charts, such as are described above, are not available, you should always try to have a large blackboard and chalk crayon in the meeting room. What might otherwise be an uninter-

esting talk can be livened up and made much more effective by the occasional writing of important facts or figures on the board. This will put more action into a talk.

The closing talk of a sales meeting should always be one of the highlights of the meeting. It should, of course, send the men away with a feeling that they can go back into their territories and make a better sales record than they had ever before thought of making. It should make them feel so full of enthusiasm for the business that they can scarcely wait to get to the next prospect.

The general topics discussed throughout the meeting may be summarized in the beginning of the closing talk, or that may be done in the next to last talk. This will depend on the nature of the program in general, but if the summary will have a tendency to weaken the closing talk it should be handled beforehand. If there is some particularly attractive sales contest or campaign announced at the meeting it may be advisable to build the closing talk around that.

The closing talk of a sales meeting must be full of sound common sense. A sensible message sincerely and enthusiastically delivered will be more lasting than any amount of eloquence expended on some meaningless idea.

How Much Will the Payroll Tax Cut Your Profit Margin?

(Continued from page 623)

to price-raising hinges on whether prices in the industry are below, at, or above the general price level, which must be determined by compilation and study of accurate data. What happens to sales when prices are forced above the general price level is graphically illustrated by the case of the cotton goods industry, shown on page 622. Note how consumption dropped as prices rose above the average of commodity prices.

(2) Shall we keep prices as they are, and endeavor to get the additional sales revenue necessary by increasing the physical volume of sales?

There are two important factors to be considered in this connection: (a) Is the increase there to get, i.e., is the trend of consumption of our product—whether it be textiles, shoes, radios, sugar, soap or jewelry—on the increase or decrease? (b) How much will the effort to secure increased physical volume of sales cost in selling expense?

In determining these factors there is an obvious necessity for thorough

and accurate investigation and scientific analysis of present markets to ascertain, among other determinants, whether all their sales possibilities have been exhaustively developed. Such investigation should also have as one of its prime objectives the possible discovery of new and untapped sales outlets.

(3) What marketing plan—including pricing, merchandising, selling, advertising and distribution—can be relied upon to make effective the policy adopted? In the determination of such a plan another factor should be weighed: Its relative chances of not only paying for its own cost but of earning enough additional income to absorb the Payroll Tax.

Considering the complexity and vital importance of these problems, the terrific intensity of the coming competition, and the fact that only 12 months are left before the Payroll Tax goes into effect, the prudent sales executive will lose no time in securing the investigation of conditions and compilation of data which will determine the effect of this tax on his sales and the most efficient plan of meeting this serious situation.

Only after careful study of such data, accurately prepared by minds trained in sales analysis, can the correct decisions be made and the most efficacious method worked out to eliminate or at least minimize the evil effects of this inequitable tax on your particular business.



Happy Birthday: C. M. Roper celebrated his 40th birthday by being appointed sales manager of the pharmaceutical and proprietary division of the Owens-Illinois Glass Company. He was formerly assistant s. m. At the same time O-I moved into new offices in Toledo.

SALES MANAGEMENT

Table VI: Comparison of Brands Having a Large or a Small Percentage Drop from Named Use to Presence in Home

	CEREALS	COFFEE	LAUNDRY SOAP	CLEANSERS
Median Average drop for group.....	40%	42%	17%	18%
Above Average Drop from Method No. 1 to Method No. 2	Krumbles Grape-nut Flakes Puffed Rice Grape-nuts Puffed Wheat	Butter-Nut Chase & Sanborn Maxwell House Folgers Teaberry Bokar Hills Bros. Sanka	Lux Oxydol Ivory Dreft Rinso Chipsa Magic Wash	Sunbrite Kitchen Kleanser Climalene Gold Dust
Below Average Drop from Method No. 1 to Method No. 2	Kellogg's All Bran Okay Post's 40% Bran Flakes Post's Whole Bran Kellogg's Corn Flks. Post Toasties Muffets Shredded Wheat Wheaties Rice Krispies	8 O'Clock Jewel Tea Monarch Gold Cup Bird's Special Briardale Break o' Morn	P. & G. Jewel Tea Fels Naptha Economy Ajax Super Suds	Old Dutch Bon Ami Bab-O Jewel Tea

Is There One Best Method for Measuring Consumer Use?

(Continued from page 629)

are not as regularly kept on hand as the other brands.

In Laundry Soap the group showing the greatest drop from named use to presence are all package soaps, including all the soaps for fine laundry.

With Coffee the groupings seems to be almost entirely by price ranges. In the main, the ones showing the greatest drop from use to presence are those selling in the higher price range.

In the Ready-to-Eat Cereals it is not so easy to find a common denominator for the groups of high or low variation. Those showing a small drop—that is, most often being found in the homes where they were said to be used—include both the big sellers, corn flakes and Post Toasties, but it also includes all the brans (except Kellogg's Pep Bran Flakes, which were right on the border line). It seems possible that the corn flakes and Post Toasties would be found because they are such standard merchandise; the brans, on the other hand, are usually used in smaller quantities and therefore a box would last a longer time and have a greater likelihood of being found in the home.

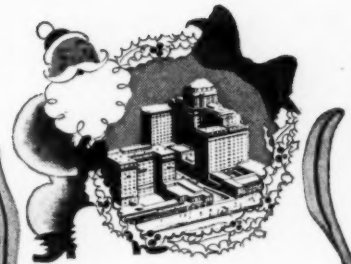
Frankly, we are not yet ready to believe that we know all the answers about either of these methods, to say nothing of the others which remain to be tested. Quantities purchased and elapsed time before replacement should also be studied. However, we have

gone far enough at the present time to believe that we can safely state that the differences in results obtained by the two methods are not the result of either accident or chance; nor do they, we believe, represent deliberate misstatement. What degree of accidental misstatement there is it is impossible to determine. There is no way of proving a woman untruthful when she states that she uses a certain brand, but is unable to produce it on a given day. All we believe we have arrived at here is that the whole subject of method should be given a great deal more study, that each method measures a different thing and that they cannot be considered interchangeable for all products.

The relation of the store sales to these consumer measures is not entirely self-explanatory. It seems apparent that an unusually high proportion of the stores of the community have been studied, but the sales from these stores have not, of course, been traced directly to the homes studied. In such a small town there are no neighborhood stores, therefore consumer calls were scattered all over the town. There are two possible conditions that affect store sales which are not present in the consumer study. There is a large rural population trading in the town, and restaurants and public eating places might measurably affect sales.

The exact percentages of store sales given here are not, of course, directly comparable to consumer figures, since the former is a proportion of total sales of a product and the latter is related to homes. However, relative position can be compared and frankly, shows little measurable relation-

(Continued on page 667)



OUR
Christmas Greeting
HAS A SANTA CLAUSE
IN IT

WHAT we want most for Christmas is to give you a merry family holiday at Chalfonte-Haddon Hall. Santa will be here to cram the kiddies' stockings, leave gifts for the grown-ups, and trim the towering Haddon Hall tree.

We've gone him one better by planning a week of gay surprises and by cooking up a Christmas Dinner such as Santa himself might covet. You can work up an impressive appetite golfing, cycling, riding horseback.

Come down in time to see the Boardwalk on Christmas Eve; it's a jolly, brilliant spectacle. Then you'll be here for the carol singing 'round our tree on Christmas morning. Bring the family and stay the whole week. Ocean Decks, game rooms, dances, concerts, and special holiday entertainments. Skating and ice hockey.

\$7 up at Chalfonte, \$8 up at Haddon Hall, single. American Plan. \$5 up at Haddon Hall, single, European Plan. Special weekly rates.

Leeds and Lippincott Company

Chalfonte-Haddon Hall
ATLANTIC CITY

Marketing Flashes

[New Products—New Jobs—Sales Strategy—Promotions]
—Gold Medal for Year's Best Management Plan

Quadruplets

A proud father, George A. Hormel of Austin, Minnesota, announces to editors of food trade papers the birth of quadruplets. The infants, all weighing 16 ounces, have been christened respectively Chicken-Noodle, Mushroom, Vegetable-Beef and Cream of Tomato. Hormel Soup is their family name.

The Hormel offspring are thus increased to 12. Plans are under way through BBDO, to make them favorite children. Twenty-four sheet posters are being placed in New York, Los Angeles, Chicago, Detroit and Cleveland. In 30 days an intensive newspaper and spot broadcasting campaign will follow. The program will run until Spring. On the cover of this issue is a picture of the "quads" before they got their eyes open.

How to Sell Toys

Toy Manufacturers of the U. S. A., Inc., a group of about 200 of the leaders, issues a "Sales Manual for Toys and Playthings." It was prepared by the association's managing director, James L. Fri, to "assist the (department store) training director and buyer in training a number of new sales people to sell toys."

Containing "helpful and practical information . . . not only to sell more toys, but to be of greater help to the parent in the proper selection of toys," the manual was mailed to stores without charge. After toy buyers in nearly all the larger stores had seen it, they ordered, to date, 3,500 copies. "This response," says Mr. Fri, "is the greatest proof of the manual's worth. Every store of importance has put it in the hands of their sales force."

While buyers were late in ordering their holiday toys, the business will run 10% ahead of last year, he adds. Japanese competition is causing much yelping among American manufacturers, he told SM. Though foreign playthings look all right to start with, and are cheaper, T. M. of the U. S. A., Inc., feels that superior American quality will win in the long run.

Profitable Philanthropy

More manufacturers are learning that a bit of unselfishness pays better dividends than devil-take-the-hindmost. In SM for November 1 was related how "Armour Gives a Break to Others' Products." Comes now P.

E. Chamberlain, of the American Hammered Piston Ring Company, Baltimore, who says, "This same idea has been used in the automotive replacement field by this company."

"On every motor overhaul job brought in by the car owner because of excessive oil consumption, every wear part having to do with that condition should be checked and corrected. We published a pamphlet on the subject called '9-Point Check-up.' Products of our manufacture are given no more prominence than those of other manufacturers."

"We used direct mail, plus the contacts made by our representatives, in distributing the booklet. Next year we shall extend this program to both our trade paper and national magazine advertising. We have prepared a 16-page book which will go out first as an insert in *Automotive Merchandising*. . . . This covers all points of oil waste, rather than just that which escapes the piston rings. In our national magazine ads we expect to invite car owners to send for this."

"Thus we are contributing to the sale of more replacement parts by both jobbers and repairmen, larger unit sales for both and, at the same time, better satisfied car owners."

Quandary

Health Products Corporation will go off the CBS network when its contract expires February 16, because Feen-a-mint is a laxative and therefore banned from the air waves. What to do with the ad budget thus released is corrugating several brows at the company's agency. William Esty. More magazine space? Newspapers? Outdoor? Right at present nothing has been decided. During

Though forced off the CBS network, Feen-a-mint goes ahead and revises its package for more visibility, simplicity. Old package at right, new on left. Perhaps it will follow Ex-Lax's lead and use the Mutual Broadcasting System, where laxatives are not taboo.



the process of head-scratching and crumpling up papers for the wastebasket, the Esty art department went ahead and simplified Feen-a-mint's package some more. This paring away nonessentials of the container has been going on for five years. They never expect to be completely satisfied.

Glenmore's Pledge

Every distiller in the Blue Grass State heaved a sigh of relief when Kentucky voted against outlawing Bourbon. Glenmore Distilleries Company, however, did no public jubilation. Instead, it shot this sober vow into every Louisville paper:

"The mandate of the people continues distilling in Kentucky. We recognize in this vote of confidence a privilege—and an obligation."

"We therefore pledge ourselves anew to the support of the laws of the State—and welcome the strictest regulatory laws which may best carry forward the cause of Moderation, Temperance and Tolerance. . . ."

Smaller space carried the same message throughout the state. Reincke, Ellis-Younggreen & Finn, agents, report it stirred up quite a breeze of favorable comment.

Philadelphia SM's Award

Sales Managers' Association of Philadelphia commemorates its 25th anniversary by founding an annual award to that company in the Philadelphia area which makes the "outstanding contribution to sales management by conceiving and executing a sales plan resulting in (1) increased sales; (2) consistent reduction in selling costs; (3) higher standards in the field of sales management; (4) Stimulating individual initiative by establishing high incentives."

While recognizing research, advertising and merchandising as definitely related functions of distribution, they will be appraised only in relation to sales management. Further, the association aims through the award to col-

lect and record data on the scientific aspects of this field. Instructors in universities and schools of business administration will be given access to the information assembled.

The judges will choose the gold medal recipient in February. Firms operating in Philadelphia and nearby cities should write to Howard G. Ford, the association's secretary, for further details.

Proving a Slogan

Western Union inaugurated a new service recently: Facsimile telegraphy whereby the sender's personal hencratches or typing are zipped off to Buffalo. The last phrase is intentional, for currently the service operates only between New York and Buffalo. Other cities are to follow.

SM's editor was one of the first to receive a facsimile telegram. *Marketing Flashes'* editor wanted to reproduce it here, but it was discovered that Zenobia, the office cleaning woman, had swept it away. A phone to WU headquarters brought promise of a copy to be dropped in the mail. Two days passed. No copy. Deadline arrived. Still no copy. Lost in the mail. Moral (insists WU): Don't Write—Telegraph! Moral (declares MF editor): Hang Zenobia to a sour-apple tree!

Moving Men

Latest moves on the sales chessboard: Robert J. Working appointed district sales manager for Republic Steel Corporation in the Birmingham territory. He succeeds Kenneth D. Mann, who has resigned to become executive vice-president of Truscon Steel. Taking Mr. Working's place in the Cincinnati office is Paul R. Johnston. . . . Parker H. Ericksen, for the past three years ad mgr. of Zenith Radio, Chicago, moves up to sales promotion mgr. Into the square he vacated goes Edgar G. Herrmann, formerly with Federal Advertising and Lord & Thomas. . . . William C. de Mille, who made movie bathtubs famous, becomes consulting director for General Business Films, Inc., New York. . . . Celotex Corporation, Chicago, has been reorganized. B. G. Dahlberg is president; T. B. Munroe and C. G. Muench, vice-presidents; C. G. Rhodes, secretary; and W. W. Rogerson, treasurer.

Weight by Wire

At the Chemical Show in Manhattan, Toledo Scale Company trotted out an interesting method of weighing. Visitors stepped on a scale that had a blank dial. Their weight was registered by electrical transmission across the hall. Having sent weight a limit-

ed distance by wires, the scale engineers foresee the time when radio will send it over continents. Then Mrs. Waddle P. Dumpy, in her Fredonia, New Jersey, bathroom, can show Mr. D., in a Peoria hotel, just how much she's lost since he went on that trip.

Bootleggers Beware

Bill the Bootlegger—and his pals Tony Substitutor and Joe Imitator—continues his life-work despite Repeal. To foil these gentry, Anchor Cap & Closure Corporation, Long Island City, brings out a tamper-proof liquor bottle which is sure-fire. The top portion is a molded cap, below it is a bright colored metal band. When the cap is unscrewed ratchet teeth and tiny lugs break the band. Only by busting that band—or the bottle—can the contents be reached.

Anchor swears the device is not complicated, like so many "non-refillable" contraptions; and that the cap makes a tight closure and permits quick pouring. It is being pushed with direct mail literature.

Maybe It's a Thingummy

When Rube Goldberg starts a CBS program for Schulte Retail Stores December 3 (Tuesday and Thursday evenings thereafter), he'll introduce radio's first "robot stooge." With typical Goldberg ingenuity he has assembled a "man" from metal spirals, inverted test-tubes, spark plugs and whatnots. The creature will answer back at inopportune moments. All the lads and lassies at the studio are mourning that television does not yet permit the audience to see Mr. Goldberg's goofy konwhackadag.

How Can We Compensate Men Whose Primary Work Is Contacting Jobbers?

SALES MANAGEMENT Will Pay \$10 for Each of the Two Best Letters Setting Forth an Answer to the Sales Problem Outlined Here—A Real Problem of a Real Company.

A large company, manufacturing a medium- and high-priced line of goods sold mostly through furniture and department stores, clears its goods through jobbers. Its salesmen contact these jobbers and, to some extent, the retail trade.

A commission arrangement with the men based on total sales in each man's territory is unsatisfactory because of the great inequalities in sales which show up when one territory is compared with another. Naturally, in some areas the company has very high-grade jobbing outlets which are doing a good job of selling; in others, where less aggressive jobbers handle the line, the company is getting a far lower percentage of its potential sales volume.

Suppose—as actually did happen—this company was able to open a very desirable new jobbing account in one big city. Within a few months, this jobber's aggressive selling methods doubled the volume of sales on the firm's goods—later tripled it. Obviously if the salesman had been paid a flat commission on all sales in his territory, his earnings would, during that period, have jumped out of all proportion to the earnings of other salesmen on the force—and would have done so due not to his own efforts, but largely to a fortu-

nate "break" in distributor relations.

This company wants a new compensation plan, and they are particularly anxious to draw upon the experience of other firms who may have faced the same problem. They want to pay their men fairly, but something has to be done to compensate for the wide differences which exist in the caliber of the jobbing accounts in the several territories. They want an incentive factor in the plan—something which will pay a premium to the men who actually accomplish the most in a year's time in territory development. If a bonus is to be paid, what should be the basis of it? How can the company protect itself against big jumps in sales in any given territory which are due to the franchising of more desirable jobbing accounts?

You may have had experience with this problem. If so, SALES MANAGEMENT would like to hear about it. If you haven't had experience with it, what would you do if you faced a similar situation? We'll pay \$10 for each of the two best letters received in reply. The editors of this magazine are to be the sole judges of the value of the answers. All letters must be in the SALES MANAGEMENT offices in New York by January 1.

Magazine and Radio Expenditures

Special Report Compiled for SALES MANAGEMENT by Advertising Record Company, Chicago

CLASS	Product Classifications	NATIONAL MAGAZINES				NETWORK RADIO BROADCASTING			
		Nov. Monthly Totals		Nov. Cumulative Totals		Oct. Monthly Totals		Oct. Cumulative Totals	
		1935	1934	1935	1934	1935	1934	1935	1934
1—Automotive Industry	\$	787,931	\$ 754,600	\$11,737,600	\$12,117,442	\$ 749,460	\$ 543,930	\$ 3,510,427	\$ 3,091,282
2—Building Materials and Equipment		329,431	274,184	2,592,046	2,189,386	15,086	35,412	201,157	136,249
3—Cigars, Cigarettes and Tobacco		455,984	502,913	5,547,339	4,922,286	370,031	315,920	2,744,973	2,561,835
4—Clothing and Dry Goods		458,997	452,418	3,990,576	3,307,768	31,918	25,368	281,279	274,696
5—Confectionery and Soft Drinks		143,483	208,695	2,243,885	1,760,289	143,329	116,807	1,018,246	942,905
6—Drugs and Toilet Goods		2,143,753	2,382,459	21,170,936	21,153,308	1,350,879	1,496,615	13,279,575	10,997,508
7—Financial and Insurance		333,984	285,086	2,888,542	2,408,476	33,550	57,202	360,036	514,069
8—Foods and Food Beverages		1,947,295	2,071,268	16,452,190	17,965,611	1,193,419	1,217,872	10,827,795	9,221,403
9—Garden and Field		9,104	6,506	541,574	434,565	Nothing	Nothing	21,200	28,481
10—House Furniture and Furnishings		732,467	795,821	6,658,950	6,224,676	27,574	26,078	464,018	370,890
11—Jewelry and Silverware		189,548	232,580	1,057,850	1,205,960	44,094	3,800	81,631	18,482
12—Lubricants, Petroleum Products and Fuel		190,970	163,268	2,543,707	2,197,535	384,033	317,944	2,925,868	2,345,016
13—Mach., Farm Equip. & Mech. Supp.		86,445	60,077	789,876	412,260	8,220	8,494	16,714	23,534
14—Office Equipment		136,222	180,196	1,074,916	1,039,149	46,805	Nothing	151,809	133,856
15—Paints and Hardware		75,288	83,895	879,908	1,034,029	11,200	23,971	164,010	175,083
16—Radios, Phonographs & Mus. Instr.		229,060	212,587	1,270,897	1,199,640	123,607	95,426	835,972	469,251
17—Schools & Correspondence Courses		146,411	109,445	1,563,956	1,347,408	7,030	Nothing	38,074	Nothing
18—Shoes and Leather Goods		223,373	201,049	1,593,958	1,463,510	6,159	15,316	59,369	33,504
19—Soaps and Housekeepers' Supplies		493,244	554,731	6,025,413	6,169,256	218,125	133,583	1,968,159	1,605,111
20—Sporting Goods		54,264	101,103	1,455,409	1,477,503	Nothing	Nothing	Nothing	Nothing
21—Stationery and Publishers		236,098	256,734	1,985,026	1,830,324	67,253	49,020	383,540	280,845
22—Travel and Hotels		301,081	302,341	3,661,523	3,359,579	Nothing	Nothing	46,150	84,417
23—Wines, Beer and Liquors		313,761	334,819	3,120,105	2,497,209	16,866	30,685	225,805	413,211
24—Miscellaneous		479,100	325,073	3,465,249	2,971,708	27,724	14,589	189,961	120,857
		\$10,497,294	\$10,851,848	\$104,311,431	\$100,688,877	\$4,876,362	\$4,528,032	\$39,795,768	\$33,842,485

Note—The National Magazines checked total 77 publications, 11 weeklies and semi-monthlies, and 66 monthlies. The monthly magazines are for November, including *Vogue*. All other weeklies and semi-monthlies are for October. All figures are based on one-time or single insertion rates.

Note—Network Radio Broadcasting figures cover all national or chain broadcasting carried over the networks of the National Broadcasting Company, Columbia Broadcasting System and Mutual Broadcasting System. The figures cover facilities only and do not include talent.

Salesmen's Womenfolk —Your Sales Allies or Troublesome Enemies

(Continued from page 631)

early days of the NRA, a Make-More-Work Contest. During the Bank Holiday in 1933, when there was so much scrip in use, and so much talk of inflation, they ran a contest in which scrip money awards were used which the men exchanged for prizes.)

- Does it appeal to the imagination?
- Are the prizes appealing?
- Is it fair to all salesmen?
- Can the interest be sustained throughout the contest?
- Can the salesmen figure their own scores easily?
- Will the wives be interested?
- Will it bring all salesmen into the contest?

Here's another idea, from the Victor Adding Machine Company of Chicago. They held, in their most recent sales contest—a "Victor Sweepstakes"—a "Ladies' Week." This is the way they announced it to the men's wives, via a special letter:

November 14, 1935.

NEXT WEEK IS "LADIES' WEEK" in the VICTOR SWEEPSTAKES
The ladies (God bless 'em) come into their own during the week of November 18. Yep! It's ladies' week in the big

Victor Sweepstakes, and "to the ladies belong the spoils." And the spoils: Your choice from the big department store prize catalog—any gift item from the first floor up to the fifth, depending upon the kind of a "sales-lady" you are.

Yes, you'll have to sell, too. You have to sell the "man of the house" on going into high gear next week for his lady love, and for every Victor he sells during the week of November 18, you will receive the same number of prize merits that he does.

In other words, it works this way: He sells a Victor Electric for.....\$175.00

He receives regular Sweepstakes credit117 merits

Should he get "Cash with Order" 25 merits

Should he make the sale from a trial previously placed and reported in accordance with the contest rules 25 merits

His total credit is.....167 merits

YOUR SHARE ON THIS ORDER IS ALSO167 merits

Now take a peek in the prize catalog which was mailed out with the announcement bulletin at the time the contest started, and see for yourself how many beautiful and valuable prizes you have to select from for 167 points, and REMEMBER that's just for one order. If he gets two, three or even more during the week you can figure out for yourself how many points you would have coming and what a swell Christmas present you could pick out for yourself.

NOW—all you have to do to cash in

on Ladies' Week in the Victor Sweepstakes is to fill out the enclosed registration card with your name, address and the other information asked for, and send it in to us attached to the first order your favorite sends in for the week. Then, in the event he has successfully completed his quota when the contest is over you will be entitled to the extra credit on that sale, as well as any others which may be made during the week.

In addition to the prize feature, each lady registered will receive *Sweepstakes Tickets* with the FIRST ORDER, the number of tickets to depend upon the model of the machine sold, which can be determined from the contest rules.

Then in the event the horse on which the tickets you receive are issued should come in first, second or third, those tickets will be eligible for the GRAND SWEEPSTAKES drawing, with the chances of winning one of the GRAND PRIZES consisting of 5,000, 3,000 or 2,000 prize merits.

Remember, now, send in your registration card with the first order, otherwise you will not be eligible for either the extra credits or the sweepstakes tickets. . . .

At least once during every contest—Victor holds four a year—the ladies are included in some such special way.

Egry Register Company has a prize award book which includes a wide assortment of prizes for the home and prizes for use by women. A. Nash Company, Cincinnati, reports excellent results from offering special prizes to

SALES MANAGEMENT

the ladies along with prizes won by their husbands in special sales drives.

"During our Victory Drive Contest, staged last Spring," reports A. J. Long, Jr., of the Nash company, "we offered a beautiful Hudnut compact to the wives, mothers or sweethearts of winning salesmen and announced the award in a specially prepared letter. A compact was furnished to each winning salesman. Quite a little additional interest was stimulated by this award and we feel that it was well worth while, not only in stimulating sales, but in creating good will.

"At the present time we are promoting a national sales contest and are offering a very fine casserole to the wives of the winning men. Over 200 of them will be distributed. We obtain the names of our salesmen's wives by writing to our branch and field managers, and, where this is impossible, to the salesmen themselves. Our special announcement then goes forward to the wives."

Wives Help on Sales Bulletins

Charles C. McPherson, Dallas Area manager of the Fuller Brush Company, passes along several good ideas. He says the company occasionally offers a prize to the wife who writes the best letter for the weekly sales bulletin on how she helps her husband in his work. All entries are acknowledged, and although only one may win first prize, every woman who writes a letter receives some small article in appreciation of her effort.

Where distance permits, the company also arranges to have the ladies present at a general sales meeting once each month. At these conclaves the company either awards the prizes for a previous contest, or makes announcements about a forthcoming contest. Sometimes a new product is announced or a new merchandising plan is explained. Such tactics cannot help but make the salesmen's wives feel that they are a very real part of the firm's activities.

Still another good stunt reported by Mr. McPherson: "Many times," he says, "we send a sample of a new item to the salesman's wife, asking that she use this in her own home and then give her husband some talking points on the article.

"We make," Mr. McPherson continues, "a special point of getting acquainted with the wife of a new salesman either before or soon after he is hired. After the first interview, which is largely a get-acquainted affair, we make an appointment to show the applicant the line, if he is a man we think we can use. Where possible, we make this appointment for an evening

call in the man's own home, so that the wife may be present. At this time we thoroughly demonstrate the entire line and sell both the man and his wife on the product as well as on our methods of merchandising.

"Should it not be convenient to meet the man's family before he is hired, our field manager makes it a point to call at the man's home some evening during his first week of training. We all oppose that which we do not understand, and much opposition is anticipated by our getting acquainted with the factors and conditions that affect a man's work.

When Wives Are Spurs

"We find that this not only enables us to have an initial understanding, but this contact, once established, gives us an opportunity better to supervise and help the man. If he is timid or lacks self-confidence, a sympathetic attitude on the part of the wife helps him to overcome this handicap.

"Some men, although they wouldn't admit they were lacking in ambition, seem content with average work and earnings, even though they may have the possibilities of developing into top notchers. Knowing the home conditions and working through the wife, we have often been able to supply the incentive necessary.

"We continue this contact throughout a man's career with the company. Our sales contests are set up so that at least 80% of the prizes offered are of a nature to appeal to the wife or for use in her home. Before the start of a contest we mail directly to the man's home, addressed to the wife personally, a broadside showing the prizes offered as well as the qualifications necessary for winning. With this we send a letter, suggesting how she may help her husband win one of the prizes."

(Part II of this article will appear in the December 15 issue of SM.)

Kellogg's "Perfect Premium"

The Kellogg Company, Battle Creek, brings out a new premium to be distributed with two packages of Wheat Krispies: Animal dolls printed flat on cloth. A frog, duck, dog and cat are ready to be cut out, sewn up and stuffed. N. W. Ayer & Son, agency in charge, is using newspapers, magazines and radio to tell the public about the toys for children.

Space is also being used in trade journals to point out to grocers that the premium requires no extra packing cases, no breakage losses, and no careful handling. These, it is asserted, are decided advantages. Manufacturers have found that when their premiums are delicately constructed or complicated, dealers do not take the trouble to push them—except into dark corners. Kellogg's "perfect premium" avoids both difficulties.

These men

have contributed their experience, their ideas, their advice for the benefit of readers of
MARKET RESEARCH.

Agry, Warren C., Good Housekeeping Magazine
Allen, Marshall, Sunset Magazine
Arnold, C. L., Kroger Food Foundation
Arnold, Pauline, Market Research Corporation of America
Bernays, Edward L., Counsel on Public Relations
Budd, B. C., W. P. Griffith & Sons, Ltd., London
Calkins, Ernest Elmo, Calkins & Holden
Cantor, Eddie, Popular Comedian
Chalkley, Ieman, Benton & Bowles, Inc.
Cherington, Paul T., Cherington, Roper & Wood
Chester, C. M., General Foods Corp.
Comtois, Frank H., Architectural Record
Cowles, Alfred, 3rd, Cowles Commission for Research in Economics
Craig, David R., American Retail Federation
Crossley, Archibald, Crossley, Inc.
Eastman, R. O., Marshalk & Pratt, Inc.
Everett, Charles K., The Cotton Textile Institute
Frank, Glenn, University of Wisconsin
Franzen, Raymond, Consultant in Market Analysis
Frey, O. C., Seaman's Institute
Gabler, Werner K., Consulting Management Engineer
Geissinger, W. B., California Fruit Growers Exchange
Gilbert, E. L., formerly editor, American Builder and Building Age
Gillette, L. W., National Geographic Magazine
Graham, J. E., Market Research Corporation of America
Hanson, Walter, True Story Magazine
Haynes, Ben P., Bureau of Foreign & Domestic Commerce
Hersey, Robert W., Badger and Browning & Hersey, Inc.
Hettinger, Herman S., National Association of Broadcasters
Holland, Maurice, National Research Council
Holleran, O. C., Department of Commerce
Huber, R. M., New York Theatre Program Corp.
Iddings, R. C., The Fyr-Fyter Co.
James, E. P. H., National Broadcasting Company
Jones, Wesley T., The Family Circle
Kersta, Noran E., Television Research Institute
Kesten, Paul W., Columbia Broadcasting System
King, Henry, Cockfield, Brown & Co., Ltd., Montreal
King, Robert N., Batten, Barton, Durstine & Osborn, Inc.
Laird, Kenneth, The Western Company
Latahaw, Stanley P., The Butterick Co.
Lazarfeld, Paul F., University of Vienna
Libert, Rensie, New York University
Litchfield, Paul W., Goodyear Tire & Rubber Co.
McCarthy, L. J., International Magazine Co.
Mercer, C. C., Meldrum & Fawcett
Nolan, Marion K., Market Research Corporation of America
Oswalt, Ernest M., Campana Sales Co.
Pepin, Rene, The Household Magazine
Rheinstrom, Carroll, Macfadden Publications
Riegel, William E., The New Yorker
Robinson, Ray, Crowell Publishing Co.
Roslow, Sydney, Robert Louis Stevenson School
Rushmore, Elsie M., Contest Management
Schmidt, Reinhard, Waldes & Co., Prague
Smith, Everett R., Liberty Magazine
Smith, Leslie G., Standard Oil Co. of Ohio
Spraragen, William, Spraragen Engineering Corp.
Starch, Daniel, Daniel Starch & Staff
Sundberg, C. H., Major Market Newspapers, Inc.
Tasker, Gerald W., Newell-Emmett Co.
Turney, J. R., Federal Coordinator of Transportation
Vassos, John, Industrial Designer
Weaver, Henry G., General Motors Corp.
Wensley, Roger L., G. M. Basford Co.
Wheeler, Ferdinand C., Distribution Counselor
White, Wilford L., Department of Commerce
Whitehead, Harold, Harold Whitehead & Staff, London
Yardley, Farnham, Jenkins Bros.

Don't you think that men like these could help you?

MARKET RESEARCH,
Rockefeller Center, New York City
Please enter my subscription for one year for MARKET RESEARCH.
I enclose \$1..... Bill me for \$1.....
(Foreign \$2)

Name
Company
Street
City State

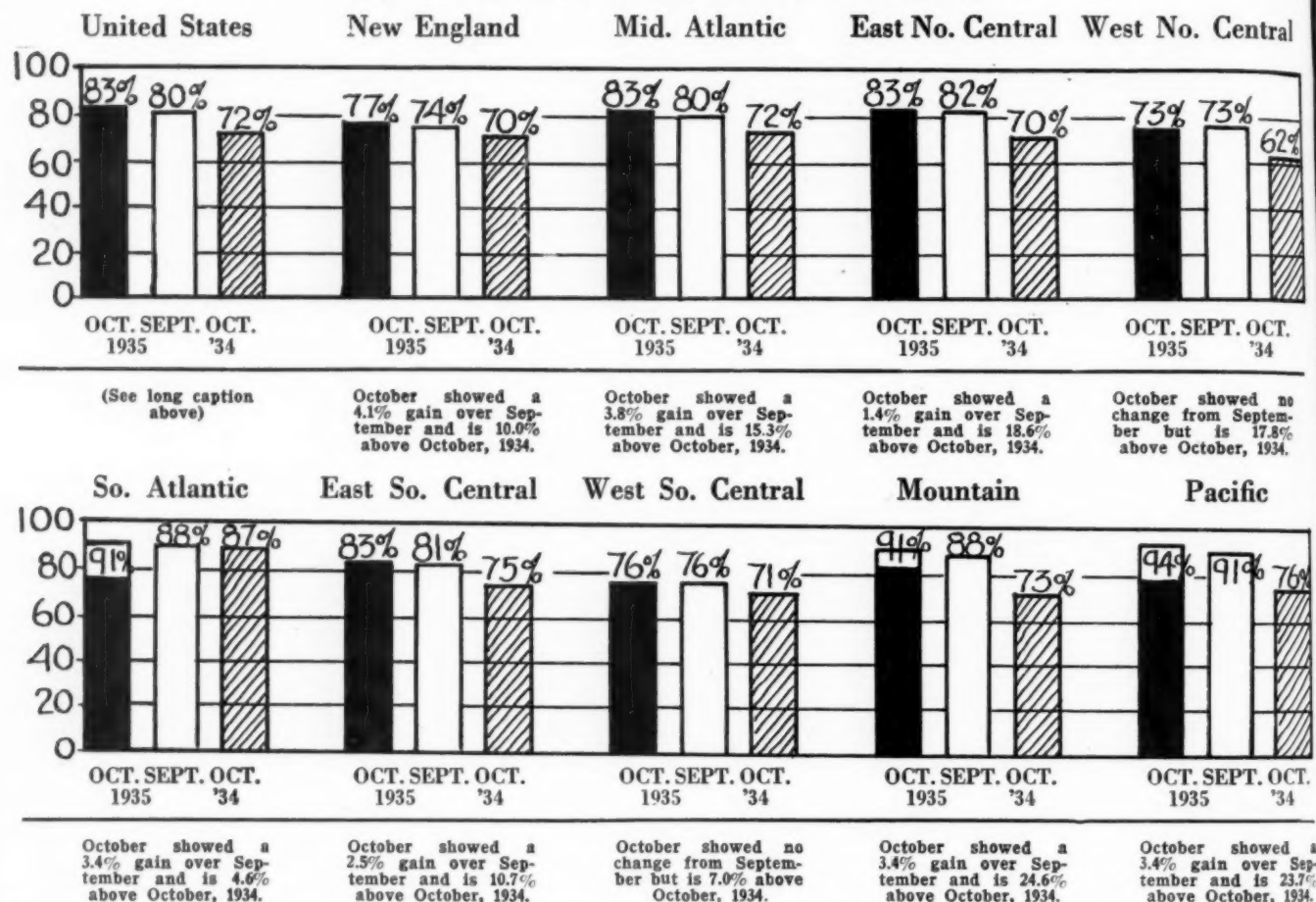
Sales Management's Sectional Index of General Business

(By Geographical Census Divisions. Monthly Average 1923-25 = 100)

BY RAY B. PRESCOTT

(The state of business expressed in terms of percentage approach toward the "normal" average of the years 1923-1925. The horizontal bar represents normal. The designation of districts follows the standard breakdown used by the Bureau of Census. The index numbers used, as determined by Ray B. Prescott, are a weighted composite of bank debits and retail sales.)

U. S.: General business in October showed an improvement all over the country. The index for October shows an increase of 3.8% over September and a 15.3% gain over October of 1934. Since the bottom of the depression we have had several upward movements in general business—but each time such a movement has been followed by a relapse in which most of the ground gained was lost. However, the progress made last year has been sustained and has even been surpassed. Such progress is very reassuring and is undoubtedly giving the man on the street confidence that, at last, the country is definitely heading out of the depression.



Los Angeles, the Nation's New Front Yard

(Continued from page 650)

Chrysler Corporation, New York, N. Y.
Dow Chemical Co., Midland, Mich.
Falk Products Co., Pittsburgh, Pa.
Lockheed Aircraft Corp., Detroit, Mich.
Loose-Wiles Biscuit Co., Kansas City, Mo.

1933

Cereal Products Refining Corp. (Brewery),
San Francisco, Cal.
General Cable Corp., New York, N. Y.
Mueller Co., Decatur, Ill.
Sherwin-Williams Co., Cleveland, O.
(Acme White Lead & Color Works.)

1934

Brown Paper Goods Co., Chicago, Ill.
McCloskey Varnish Co., Philadelphia, Pa.

At the end of nine months of steadily bettering conditions, the Southern

California area and Los Angeles particularly, are certainly able to offer plenty of facts and figures to interest space buyers, sales managers and even factory owners tired of bucking the headache complex in less fortunate sectors.

Postal receipts for September were 8% above those of 1934, stock exchange transactions up 167%. Bank debits were 25% over those of 1934, and the nine months' total runs 21% above that of last year.

Industrial employment is at a higher point than at any time in the last four years, and the distribution of activity and payrolls is general. Retail sales are running from 5 to 15% above 1934 figures. Wholesalers—whose woes were still heavy indeed a year

ago—report collections excellent, and 30% more new trade accounts than a year ago.

A current survey made among 300 business firms shows business more profitable today than a year ago in 60%; the same, 5%; did not say, 5%, and less profitable, 30%.

Los Angeles breaks into the news with the biggest order for rail and construction steel ever placed, in connection with the Parker Dam and municipal water district operations. "Nothing," says the *Southwest Business Review*, "modifies our belief that the next two months will find local business continuing on the same accelerated levels."

The valuation of Los Angeles building permits in September, \$2,057,006,

SALES MANAGEMENT

was practically double that of September, 1934, according to W. E. Prine, of *Southwest Builder and Contractor*. The nine months' total of \$23,259,724 represents a gain of 139.8% over the corresponding period of last year.

Mr. Prine expects to see annual figures total \$30,000,000 or more; to date housing has accounted for more than half of this.

Fifteen new industries have been added by Los Angeles during the month, largely through the efforts of a very live special industrial department at the Chamber of Commerce. These include two garment plants, two cosmetics makers, food products, air conditioning machinery and a specialty plant making dried egg albumen.

Expansions include addition of six new conveyor lines and three enameling ovens by Chrysler Motors of California which is running local assembly of upwards of 4,000 Plymouth passenger cars and Dodge trucks monthly. Incidentally, the motor and rubber plants here employ 10,000 men who draw down \$12,000,000 a year.

Motion picture production is above seasonal normal, partly because of the new double-billing policy of exhibitors and distributors.

Aviation payrolls are at peak.

The petroleum situation is unsettled, with proration running more or less wild since the collapse of NRA.

The general agricultural and citrus fruit prospects are good, crops damaged or shortage being offset in some quarters by a better than average price prospect.

A healthy increase of both export and import trade is recorded at the Port of Los Angeles.

And when the impounded waters of the Colorado have fulfilled the promises made for Boulder Dam; when the Parker Dam is doing its part in the vast conservational program of this area; when cheap power very shortly comes pouring into Los Angeles on gleaming copper conduits, you may still try to joke about the Los Angeles tourist industry, but it's likely to sound hollow and far-fetched.

For Los Angeles seems destined to be the nation's new front yard.

Advertising Campaigns

(Continued from page 633)

Gotham Advertising Company, in charge, starts the cooperative's seasonal drive in September. By Thanksgiving almost all the berries have been picked, packed and are well on their way to a place beside the roasts. Other positions on the menu are pointed out to epicures in the "Eatmor" cranberry recipe booklet: Sauces, jellies, salads

and desserts. This versatility of the fruit, plus public education, accounts for the Exchange's flourishing condition.

Oh Yeah?

Heinz and Maxon, Inc., their agents, are tooting a precarious chip when they proclaim that the Heinz tomato ketchup bottle is "the best known bottle in the world." Johnnie Walker, Gordon's gin (which went to darkest Africa with Stanley) Bromo-Seltzer and Lea & Perrins' Worcester-shire pop into mind as likely disputers of the claim. These columns are open to any advertisers and agencies who can prove their bottles, jugs or jars are better known.


A Bas B.O.!

Soon it will be impossible to obtain a soap which won't cure, alleviate, or at the very least conceal body odor. Colgate-Palmolive-Peet's Cashmere Bouquet is the latest to join the ranks of anti-rank odor fighters.

Under the guidance of Benton & Bowles, Cashmere will shortly be advertised as "the lovelier way to avoid offending." Space: *S. E. P., Good Housekeeping, True Story, Macfadden Women's Group, Fawcett Women's Group and Cosmopolitan*. Past ads have "emphasized alluring fragrance" says B & B, and the new series is merely another step in keeping our fellow citizens "alluringly, fragrantly dainty."

AN EXAMPLE OF DEALER-IZING

WALK-OVER
CABANA
Needleworked Suede
Mirror Trim



Everybody's getting all dressed up. And here's our First Fashion to do your going in. Delicate stitching and etching give a rich, fabric-like texture to suede. Mirrored patent provides the shiny accent. And easy-going! It's our perfect posture Suede last.

CABANA. Black or brown.
Scuffless "Pyraheela." Name and design Reg. U. S. Pat. Off.

WALK-OVER
Shoes for Men and Women
Prices from \$6.50 to \$10.50
GEO. E. REITH COMPANY
CAMPELLO
BROCKTON, MASS.
Dealers in Principal Cities

Reduction of single-column advertisement by Walk-Over.

ANN ARBOR
Walk-Over Shoes
for MEN and WOMEN
Burton's Walk-Over Shop
115 South Main Street

Typical dealer mention of Walk-Over.

PLUS VALUES for WALK-OVER

Walk-Over Shoes have been advertised in *The Christian Science Monitor* for many years . . . but not only by the manufacturers. Last year 923 local advertisements in the *Monitor*, paid for by local merchants, also featured Walk-Over—a plus value that only the *Monitor* affords. Other examples of this valuable tie-in service on request.

THE CHRISTIAN SCIENCE MONITOR

Published by The Christian Science Publishing Society
Boston, Massachusetts

New York Office—500 Fifth Avenue

Other Branch Offices: Chicago, Detroit, St. Louis,
Kansas City, San Francisco, Los Angeles, Seattle,
Miami . . . London, Paris, Geneva.

A DAILY NEWSPAPER FOR THE HOME

MEDIA and AGENCIES



Jiggs on the Job for 6,000,000

*I have some able salesmen.
(They'll go to work for you)
There's Skippy, Jiggs, and Tillie
And Barney Google, too.*

The advertising director of one of the nation's largest consumer product companies recently told an advertising man who had been abroad for six or eight years that "40% of our entire expenditure is now in media which were not in existence when you went away."

At about the same time, on another occasion, this executive said, "Our whole advertising thinking is turning toward the entertainment type of advertising."

Both of these mean radio and comics. Radio will take perhaps \$50,000,000 from general advertisers this year. Comics will take about \$12,000,000 more. Oldest of the comics, and largest in circulation and in advertising revenue, is *The Comic Weekly*.

It is distributed every Sunday through the 17 Hearst newspapers, from Boston, New York and Atlanta on the Eastern seaboard to Seattle, San Francisco and Los Angeles, covering most of the territory in between, to 6,000,000 families. It has, it is estimated, an alert and loyal audience totaling 20,000,000 readers, or about one-sixth of all the people in the country and nearly one-fifth of those who read the English language.

The average family in this country is a fraction more than four people, and George Gallup has found (as if surveys were necessary to prove it!) that 68% of men, 72% of women and probably 99% of children regularly read the comics.

Although the circulation of *The Comic Weekly* reaches every state, more than two-thirds of it is concentrated in 995 key cities which account for 70% of all retail sales.

This publication attracts people, and sells merchandise for advertisers, it was said, because it deals in four intangible but very fundamental things: Laughs, loves, thrills and tears. The advertisers, adopting the form and striking the keynotes of an entertainment medium which has been attracting multitudes for 40 years, have expanded their business through it.

The Comic Strip's Beginnings

In the early 1890's a young editor of the old Sunday New York *World*—Morrill Goddard, now editor of *The American Weekly*—began to experiment with humorous cartoons in color. "My idea," as he explained, "was to give the people something like *Puck*—a big slice of humor." *Puck* was then the outstanding "funny" magazine. In 1896, shortly after he came to New York from San Francisco, William Randolph Hearst started a comic section, seeking out artists who might add more art to the bizarre creations of the time. The next year appeared the first comic in modern panel form. It was "The Katzenjammer Kids." These "Kids" can be traced to Germany as far back as 1876. R. Dirks Americanized them.

By 1905 the "funnies" had developed into a four-page section, containing the same characters from week to week, all in

panel arrangement. The characters became increasingly familiar to the readers. There were "Jimmy" and "Mr. Jack" by Swinerton, "The Love of Leander" by Howarth, "Foxy Grandpa," "Happy Hooligan" by Oppen, and "The Katzenjammer Kids."

In the decade that followed, the comic pages changed from slapstick humor into what Gilbert Seldes has called "a changing picture of the average American life." Twenty-five years ago George McManus introduced "Jiggs" and "Maggie" in "Bringing Up Father," a satire on social climbing. Twenty years ago Russ Westover presented "Tillie the Toiler," whose counterpart is found in every American office. A generation has grown up, and even grown old, among these characters. And *The Comic Weekly* grew to 16 pages as other characters—Percy Crosby's "Skippy," Otto Soglow's "Little King," "Toots and Casper" by Jimmy Murphy, "Ace Drummond," by Capt. Eddie Rickenbacker, and more—were born and found their weekly way into the present total of 6,000,000 American homes.

Indeed, the features of *The Comic Weekly* are now published in 85 countries and in 29 languages. Except for language, they are published and enjoyed without change. The "funnies" have become a universal language. (We have seen Japanese people enjoying Jiggs.)

Advertisers Enter the Picture

Because of his confidence in the wide appeal of the comics, Mr. Hearst decided, early in 1931, to exploit his comics for general advertising. Shortly after the first advertising pages appeared, in May, 1931, the number of "editorial" pages was increased from eight to 12. Two pages of advertising meant 14 pages of comics; three meant 16 pages.

The first advertiser was General Foods Corporation for Grape-Nuts. GF showed courage. The rate was—and is—\$16,000 for an inside page, \$17,500 for an outside back page, \$9,000 for a half page. (Half pages outside are not sold, and no unit less than a half page is available.) But General Foods must have found it worth while. For four and one-half years Grape-Nuts has been in *The Comic Weekly* regularly. GF also has used it for Grape-Nuts Flakes, Jell-O, Postum, Minute tapioca and Post Toasties. About 50 other large advertisers, some of them for several products, also have joined the fold.

When Mr. Hearst returned from Europe last Fall, and saw the progress which had been made, he wondered if, through advertising, the readers might not be given even more entertainment. For 20 issues, from February 3 to June 16 of this year, *The Comic Weekly* was published as a tabloid of 32 pages. The rate was \$9,000 a page inside, later \$10,000 and \$12,000 for the back cover. Although the advertisers seemed satisfied, it was felt that the smaller size did not do justice to the work of the artists. The present basis, standard size, is 16-page base for 1½ pages of advertising; 18 pages for 2½, and 20 pages for more than 2½ pages of advertising.

Throughout the four and a half years, including the tabloid period, the number of products advertised has grown con-

sistently. In 1931 there was a total of 11 pages for four products; in 1932, 69 pages and 29 additional products; in 1933, 91 pages and 13 additional products; in 1934 (when *The Comic Weekly* began to sell half pages), 81 full and 81 half pages, making a total of 121½ pages, and 14 additional products; in 1935, 23 standard full pages, 92 standard half pages and 79 tabloid pages, and nine new products. Thus a total of 69 different items have been advertised.

The list of advertisers includes many outstanding firms—among them General Foods, General Mills, Kellogg, Ralston Purina, Knox, Lever Brothers, Standard Brands in grocery products; Bauer & Black, Bristol-Myers, Colgate-Palmolive-Peet, Forhan, Lambert, Pepsodent, Vick, Woodbury, in drug products; Smith Brothers and Wrigley, Royal Typewriter and Parker Pen, Stanco and Camel Cigarettes, Waterman Pens and Johnson Floor Wax. . .

Most advertisers have adopted the continuity "strip" style and have employed capable artists to tell their story with love or laughter, tears or thrills, or several of these at once. Sometimes, as with Pepsodent recently, a "radio technic" is employed. Here the familiar Bill Hay was shown signing on and off before and after Amos 'n' Andy strutted and kidded their way across the colored page.

Responses for samples, premiums, etc., from a single *Comic Weekly* ad have ranged from 3,000 (the advertiser neglected to put his address on this one) to more than 1,000,000. The latter was for a breakfast cereal. Its makers offered premiums for youngsters to those who sent in trade-marks clipped from its packages. One advertiser this year got 125,000 box tops for premiums in one day. Another took his first page in February, 1933, just before the bank holiday, but 25-cent pieces from 170,000 rolled in, with box tops from a 25-cent cereal, for his offer.

It would seem that "Jiggs" and his confreres have been getting plenty of corned beef and cabbage since May, 1931. And so have *The Comic Weekly* advertisers.

B & B's New Space Contract

The battle of national vs. local newspaper rates goes merrily on, but Benton & Bowles have decided not to wait for the final decision. The agency followed the lead of Tracy-Locke-Dawson in rubber-stamping a new clause on newspaper contract, and sent the following letter to its clients:

"As you know from your own experience, it is possible for national advertisers to secure local rates in some newspapers, if through their dealer arrangements they can give some plausible excuse for being entitled to this concession.

"This is particularly true of advertisers like the automobile companies, whose advertising carries the names of local dealers. Of course, certain chain stores get local rates for their private label advertising, as well as for their regular local advertising.

"It is almost impossible for a paper to make a clear definition that will distinguish fairly between local and national advertisers. For this reason we feel that the agency in making contracts for its clients should see to it, as far as possible, that the client is assured of as low a rate as any other advertiser can get under the same circumstances. Toward this end we have decided to stamp on all contracts the following condition:

"This suggestion is placed with the distinct understanding that no other advertiser of similar character and qualifications is permitted to buy space at lower rates due to claiming local classification. Any evidence of such a case will be considered by us as ground for claiming rebate equaling the difference between the national rate and any rate of any similar advertiser which may be granted due to different classification."

"Of course this is not necessary except with those papers that make concessions or do not clearly define what they consider local advertising. Where it is necessary, it gives us a basis upon which to claim equal treatment with other national advertisers who are getting local rates."

S. S. Boosts Newspapers

C. B. Nash, vice-president of the Standard Sanitary Manufacturing Company division of American Radiator Company, warmed the hearts of many newspaper men last week by sending them a letter commenting upon results which the company has secured in the last two years through newspaper advertisements. The campaign called for a close tie-up with local licensed master plumbers whose names and addresses were given in the copy. Mr. Nash, after a very direct intimation that newspapers would have a good schedule from the company in 1936, said,

"Our newspaper advertising has been an important factor in the progress 'Standard' has made during the past year. Our plants in Baltimore and Pittsburgh, which have been closed for three years, have been reopened. Our plants in Trenton, N. J.; Louisville, Ky.; Tiffin, O.; Kokomo, Ind., and Richmond, Calif., all have taken on an increased number of employees."

S. F. News Runs a Whopper

A 48-page Saturday, November 16, edition of the San Francisco News carried the largest amount of advertising ever placed in any Pacific Coast newspaper at one time by a single store—a total of 54,124 lines of space (21½ pages) by The Emporium, San Francisco's largest department store. Of unusual import to national advertisers and agency executives is the fact that stress was placed on leading national brands of merchandise. In fact, the theme song was a tie-up with "America's Famous Names" and as such is practically without precedent in department store promotion.

Radio News

Dr. Frank N. Stanton, widely known for his psychological studies in the field of audible vs. visual advertising media, has been appointed to the Market Research Department of CBS under John J. Karol, director.

Mutual Broadcasting System was cited in these pages a fortnight ago as the third successful intersectional network chain. The degree of its success may be seen from the healthy gross billing of the chain's programs in October: \$168,794.97.

During the month of October, 47 diversified industries, comprising over 380 accounts, used spot advertising over the 14 managed and operated NBC stations. The following industries lead in percentage of total billings: Food Products, 13.8%; Gas and Oil, 10.2; Medicines, 8.4; Automobiles and Accessories, 7.7; Breweries, 7.1.

Media Notes

The Breskin & Charlton Publishing Corporation announces a new magazine *Shipping Management*, designed to cover the news of the men, methods and materials of the world of shipping. The first number will be issued in January. The publishers say that an initial circulation of 15,000 will be raised as quickly as possible to 25,000.

Donald E. Knight, recently with the New York office of the national advertising department of Scripps-Howard newspapers, has joined the New York staff of Williams, Lawrence & Cresmer Company. . . . W. Wadsworth Wood, formerly chairman of the board of Visomatic Systems, Inc., has been elected to a similar office in the organization of Cleveland B. Chase Company. He will be identified with the Vocafilm division which will soon announce new innovations in the slide film field. . . . J. C.

Coffey, formerly with the sales promotion department of Frigidaire, has joined Jam Handy Picture Service. . . . Hollis W. Grathwohl, for the past four and a half years with the New York *Herald-Tribune*, has joined the promotion department of Fawcett Publications as assistant to Allen E. Norman, advertising promotion manager. . . . Clifford S. Bailey, of the Eastern advertising staff of *Liberty*, and Howard H. DuBois, promotion manager of Budd Wheel Company, has joined the eastern sales staff of *Cosmopolitan*.

Agency Notes

The Gerber Products Company has appointed the Federal Advertising Agency, Inc., . . . McKee Refrigerator Company, to the Moss-Chase Company. . . . The Waters-Genter Company, a division of the McGraw Electric Company, has given its commercial equipment department advertising to Earle Ludgin, Inc. . . . Fifty-five broadcasting stations will be used in an in-

tensive radio campaign for American Tobacco Company's Roi Tan cigars, placed by the Lawrence C. Gumbianer Advertising Agency. . . . Magazine advertising on Quaker Puffed Wheat and Quaker Puffed Rice will be placed by Fletcher & Ellis, Inc. This agency will continue to handle newspaper advertising on these products as well as the advertising of Quaker Muffets and Quaker Milk Macaroni. . . . The Earnshaw Knitting Company, to H. B. Humphrey Company. . . . Snap-On Tools, Inc., to Scott-Telander, Inc. . . . Latex Fiber Industries, Inc., to Campbell-Ewald Company of New York, Inc. . . . All advertising for the Radio and Merchandising Division of the General Electric Company, Bridgeport, to Maxon, Inc. Another Maxon acquisition is James Barclay & Company, Limited, distillers. . . . I. S. Randall, formerly sales manager for the Frosted Foods Division of the General Foods Company, has joined the merchandising division of Blackman Advertising, Inc.

REACHING MORE THAN 4 out of 5 BALTIMORE FAMILIES

84.4% Covered BY THIS ONE EVENING NEWSPAPER AND AT 35¢ A LINE

**BALTIMORE-
A \$251,461,000-
RETAIL MARKET**

You sell more tires—or toothpaste—or tomato juice—or what sort of product have you—when you use the News-Post in Baltimore.

For you reach the alert, quick-moving "let's-buy-some-now" people, naturally attracted by the News-Post's faster, more alert presentation of news, pictures, features, sports.

And you reach MORE of them.

Circulation figures (12 months ending 9/30/35) show total average net paid 200,701—60,000 MORE than any other Baltimore evening newspaper—with 169,537 in the ABC City Zone 84.4% coverage of Baltimore's families.

For sales results—schedule the News-Post.

BALTIMORE NEWS-POST

Represented Nationally by

HEARST INTERNATIONAL ADVERTISING SERVICE

RODNEY E. BOONE, General Manager

On Sundays. The Baltimore American has a plus coverage, too. 227,842 circulation—the largest in all the South and 20,000 more than any other Baltimore Sunday Newspaper.

Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER
TRIBUNE SQUARE

CHICAGO November 11, 1935

Mr. P. Salisbury
Executive Editor
Sales Management
420 Lexington Avenue
New York City

Dear Mr. Salisbury:

Since advertising is an adjunct to selling we consider it important to reach sales managers and sales-minded executives. Developments during the past several years have emphasized the soundness of this view.

Our salesmen address a good deal of their efforts to officials who determine sales policies.

To back up and broaden their efforts we require advertising media to which such executives turn. Our experience with Sales Management and our familiarity with the present splendid job which it is now doing convince us that your magazine is essential to our advertising program.

I believe we have been on the back cover of Sales Management since 1919. We expect to continue.

Very truly yours,


Manager, Research & Promotion

W J Byrnes-KW

SALES MANAGEMENT asked its oldest media advertiser (every month since April, 1919—or 212 months out of the 218 the magazine has been published)—to tell WHY.

S. M.'s business staff says it would be almost impossible to improve on W. J. ("Jerry") Byrnes' reply as a solicitation. In a fifteen-line reply he cites 7 compelling reasons.

Is There One Best Way to Measure Consumer Use?

(Continued from page 657)

ship. Again we must bear in mind that, like the other two methods, this method again measures an entirely different thing. Here is reflected the entire amount of the product bought rather than the mere fact of using it at all or having one or more packages on hand. Certain conclusions of relationship can probably be drawn, but we very much doubt whether any measure of store sales for such a short period as one week, can give a fair picture.

For example, Bon Ami was stated as used in 32% of the homes, it was actually found in 27% of them, yet it sold only 18 packages during the course of the week in contradistinction to Old Dutch selling 103. Not quite twice as many homes had Bon Ami on hand as had Old Dutch, yet, because one is used up slowly and the other rapidly, sales of Old Dutch were more than five times as great during this week as those of Bon Ami. In fact, it is doubtful whether it is feasible to compare total sales of two such different products, although individually for each product, or relatively to establish trends over periods of time the store sales are doubtless one of the soundest measures.

What the Survey Proves

Certain discrepancies in the relation of the store figures to the others are apparently unexplainable, or at least no explanations can be proved. Notable among these is the immense sale of 8 O'clock coffee, out of all proportion to the homes that claimed to use it or had it on hand. Again the fact that the sales measure the total volume rather than percentage of use must be considered, but does not entirely explain such an immense increase. This was the only A&P brand locally advertised during this period.

This survey and comparisons of methods has not been intended to do more than point out possibilities of interpretation and serve as a guide. We hope to make further investigation along the same lines. An accurate knowledge of what method to use in individual cases and exactly what that method measures, will be a gradual growth and a great contribution to the science of market research.

* * *

The MRCA-SALES MANAGEMENT survey in the issue of December 15 will cover the subject of commercial airplane transportation.

DECEMBER 1, 1935



Actual photograph* of a V. P. in-chg-of-sales asleep at the switch . . .

THERE has been a slow but steady switch from his brand to a certain competitor's. It started over a year ago. He sensed it, but pooh-poohed the upstart competitor whose brand the public was beginning to prefer.

He was asleep when the switch started. Now he is tremendously awake to the situation—awake and catching hell every waking hour. From all seven executives who "top" him in the company. And from some members of the Board.

But it is pretty late for aggressive changes in copy, in merchandising plans and in field organizations. The smooth competitor has wormed his way cleverly into the lead in most territories. To stay.

A mistake was made. When and where? A year ago when this V.P. failed to call in an outside market research organization (such as ours), to measure accurately the trend and speed of this "switch," in enough cities to ferret out the real inside reasons why consumers were changing brands.

That same mistake is being made over 1,100 times while you read to this period.

** Maybe he isn't really asleep; but he is resting — on his laurels.*

FREE CHECK LIST

Send for list of 81 types of problem-solving research possible to use in the business man's daily routine, to make safer 81 kinds of decisions his job constantly calls for. No obligation. It will help any business man determine if he is unknowingly overlooking safety factors which other men in his line employ.

MARKET RESEARCH CORPORATION OF AMERICA

Formerly Percival White, Inc.,
and Arnold Research Service

Rockefeller Center, N. Y. City
120 S. La Salle St., Chicago

Prevents those wrong decisions, based upon faulty facts, which cost you time and money

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Broadcasting, Food Distribution Under Washington Scrutiny

HOW the national radio advertisers will be affected by the action taken by the Federal Communications Commission early this month (November 7) is a question that has bothered advertising agencies and their major clients.

The Commission adopted a motion offered by Commissioner Stewart directing its Broadcasting Division to study a plan for the complete revamping of the nation's broadcasting structure. It is aimed particularly at elimination of duplication in chains.

The fact that the resolution was merely referred to the Broadcasting Division for study; that the probabilities are that there will be no action on revamping plans for at least a year; that the publicity given the proposed move was out of all proportion to its present significance, is beside the point. That the move is certainly part of the long-time program of the Commission in changing radio facilities is generally taken for granted. If the present Administration is returned to office next November, the whole program is entirely probable.

To Help Small Stations

The motion referred to the Broadcasting Division and since "laid on the table" for study, asks for an investigation and a report on the desirability of special regulation of chain broadcasting. It carries the inference that network broadcasting methods have been frustrating allocation rulings made by the old Radio Commission.

In the first place, the special study is only a part of a broad investigation into the complete realignment of present broadcasting facilities. This latter investigation, carried on quietly for months and still far from complete, is the basis for such plans as are at present known and indicates what is in the wind.

So far they include a proposed reduction of the present 40 clear channels down to 25 for the super-powered stations and a concurrent requirement that these stations maintain a broadcasting range of 500,000 watts instead of the present 50,000 watts. The remaining 15 clear channels would go to smaller, low-powered, local stations. The idea here is these latter would thus be free of interference from the super-powered large stations.

Added to these changes would be the setting up of three new clear chan-

nels reserved for broadcasts on the 1,500 to 1,600 kilocycle range. On these channels would be permitted as many as 50 new, small, local stations. This would remove much of the objection made by hundreds of petitioners for station rights and the objection to the present cluttered state of channels. The Commission's motion indicated that this latter plan would provide the interference-free channels "to serve rural and sparsely settled areas over long distances under favorable conditions."

The plan, as it now stands, would approve the establishment of the 25 super-power stations in the largest metropolitan areas. In this connection the resolution declared that programs available at night to 35.8% of the population of the United States who reside in 76.7% of its area are those offered by clear channel stations "and their (the listener's) selection is largely limited to those (programs) carried by such stations."

The aim of the whole program is patiently to bring about a greater diversification of programs through the reduction in chain broadcasting by regulation and through discouraging chains by the cut in the number of clear channel stations.

Programs to Cost Less?

What does this mean to the advertiser? Does it mean that the national advertiser who wants to "blanket" the country will have to contract with more than one or all of the existing networks? Does it mean that the advertiser can limit himself to the super-power stations and thus possibly reduce radio advertising costs below his present outlay? Is it possible that with the greatly increased range given the super-power stations there will be a tendency for individual stations to break away from network tie-ups and that the advertiser will have to contract individually with large stations?

The whole problem comes down to two major considerations—will the new program cost the advertiser more or less? Will the new program result in more concentrated radio advertising by the larger national advertisers?

These are questions to which answers are being sought. On these answers may depend the future of radio advertising in the United States.

* * *

Sales throughout the whole sweep of the farm products distribution busi-

ness are now under scrutiny by the Federal Trade Commission under authority of the FTC Act and Senator Wheeler's Senate Joint Resolution as enacted at the recent session of Congress for this purpose.

The first commodity chosen for study was wheat. The second was tobacco. Others will follow, with the meat industry to be among the earlier ones. The purpose, according to FTC, is "to investigate and report at the next session of Congress the extent of the increases or decreases in recent years in the income of principal corporations engaged in the sale, manufacturing, warehousing, and/or processing of the principal farm products and of other principal sellers . . . compared with the decline in agricultural income including the amount and percentage of such changes."

The Commission had on hand a mass of data to dust off and brighten up and weave into the report. There will be questions as to quantities and percentages and classes, and also as to the names of principal corporations with which one does business. The study will go into payrolls and other business costs, including the salaries of corporation officers for each year since 1929. It will cover the whole history of the business as to mergers, consolidations, subsidiaries and other changes which might affect income.

Reports to Be Revealing

Take, for instance, the wheat questionnaire. It calls for the sales in quantities and percentages in each of these classes, and the five leading buyers: Brokers, mill agents, wholesale grocers, wholesale flour merchants and jobbers, super markets, cooperative or voluntary chains, chain grocery stores, bakeries operated by chain stores, retail bread bakers (including companies selling primarily house-to-house or operating chain or other retail bake shops), wholesale bread baking companies (including those selling directly to retail stores such as Ward, General and Continental, either with or without house-to-house business), biscuit and cracker bakeries, other bakers and manufacturers and all other consumers and distributors.

Those who handle leaf tobacco must give similar information for these dealers: Tobacco brokers and commission merchants, tobacco jobbers and wholesalers, chain tobacco stores, chain grocery stores, chain drug stores, chains, wholesale drug companies, wholesale grocers and all other distributors. Penalties are provided for failure to file adequate reports or for falsifying them.

Hawk

N. Y. Talks Beauty to Sell Milk

(Continued from page 624)

through milk." Abraham Cantarow, M.D., explained in "Calcium Metabolism and Therapy" that (p. 204) "calcium therapy has been successfully employed in several skin disorders."

The various appeals were emphasized to the several groups of the population in proportion to the probable "weight" of these groups in increasing milk consumption. Children under 10, it was found, were 16.48%, boys and girls from 10 to 19, inclusive, 17.07% of the population, or about one-sixth of the total in each. Adult men and adult women were each about one-third, or 66.45% between them. The "alkaline" and "personality" themes (the latter including Babe Ruth, Jack Dempsey, Frank Buck, Grantland Rice) were intended to appeal to men and boys, "reducing" and "complexion" to women and girls. A "Midshipman Jack" series was worked out for children under 10. The emphasis and the expenditures were placed in these proportions. If extraordinary emphasis was given to any group, it was probably on boys and girls of 10 to 19, who have lately gotten away from the "milk habit" of their childhood.

There is separate copy in newspapers, and in this proportion, on the various themes; separate dramatized announcements six days a week on the radio. On each of the 15 stations, it was said, the announcement follows what is considered to be the program with the "best audience" there. In newspapers there are eight different schedules, according to population and milk consumption of the areas.

To Use All Media

The present campaign will run eight and one-half months, till the end of March. The \$345,000 expenditure (after deducting \$55,000 for expenses of the Bureau of Milk Publicity in Albany) is spread evenly over this period. It will be divided according to media: Newspapers, \$245,000; radio, \$30,000; publicity, \$28,000; dealer helps and merchandising, \$38,000, and a "contingent fund" of \$4,000. The dealer helps and merchandising include posters for dairy wagons and trucks, window streamers, back bar strips, recipe books, leaflets, fair and meeting participation.

An interesting fact about the space advertising is that although booklets or leaflets are usually offered, the ads are not couponed and the offers are "buried" in the copy. One must write

separately for them with his own paper and stamp, to Albany. And yet in four months—July 15–November 15—there were 35,818 requests for "The Milky Way: a Sane Reducing Schedule"; 6,325 requests for a leaflet on "Milk . . . the Alkalizer." In the first 30 days of an offer to "100 Ways to Get More Milk in Your Meals," there were 5,515 requests. From the first three ads on "Midshipman Jack," which started the week of October 14, 14,675 youngsters wrote in to learn how "Jack" kept fit in the Navy.

Drive Reverses Trend

The most important point is that this campaign appears really to have turned the trend in sales. Major credit is given to the State's efforts because, despite the fact that large milk distributors have been spending a great deal of money for advertising there, and have coined fancy names like "Golden Crest" for Grade A milk, have talked about "Vitamin D" and the ability of their facilities to weather any storm, milk consumption has steadily declined.

Because complete current figures for New York State will not be released for several months, analysis of the first effects of this campaign must be confined to the U. S. Department of Agriculture's reports for New York City. While the nation's consumption of milk was declining about 6%, between 1930 and 1934, inclusive, the city's consumption fell 13.10%. In 1930 it was 36,425,796 cans (of 40 quarts each); in 1931, 35,534,977 cans; in 1932, 35,431,311; in 1933, 33,001,773; in 1934, 31,562,922. It is apparent that the first State milk campaign which ran from March through December, 1934, did not change this downward trend.

The minus signs continued through January, February and March, 1935, but were smaller (1.44, 4.43 and 1.84%) than they had been in the same months the year before, when they had been 7.48, 5.95 and 3.69%. (The 1934 "Drink More Milk" may have been a factor here.) The first six months of this year, however, showed consumption of 15,703,468, as compared with 15,854,771 in the parallel half of 1934.

The "hangover and complexion" campaign began (on a 20% smaller basis than 1934's "Drink More Milk" effort) July 15. Maybe the time was ripe for an upturn in milk consumption. Maybe other factors played a



Get Out—or Go Under!

Under the counter is no place to make sales records. The goods that move are out where they can be seen—at the point of sale.

Whether they ask for your product by name, or take what the retailer offers is up to you. Be sure they see it when they're ready to buy.

Erie designs the kind of counter and window displays that retailers are glad to use. They will keep your product before the customer, and enlist the help of the retailer too.

Let us help you display YOUR product!

ERIE
LITHOGRAPHING & PRINTING CO.
ERIE, PENNSYLVANIA

In the heart of Philadelphia . . . socially, commercially and geographically.

BELLEVUE STRATFORD

CLAUDE H. BENNETT, General Manager



1st in OMAHA for 25 Years

- in CIRCULATION
- in ADVERTISING
- in NEWS

OMAHA WORLD HERALD

CIRCULATION
Daily, 127,194 Sunday, 121,982
O'MARA & ORMSBEE, Inc.
National Advertising Representatives

part. But the fact remains that July, August and September all showed plus signs. Despite general losses in the first six months, the gain was enough to make the total cans consumed in three-quarters of this year 23,840,190, as against 23,794,848 in the same three-quarters of 1934.

The rise in July was only .10%. In August, however, it was 3.68% and in September 3.81%. There had been, you remember, no heavy "opening gun." The campaign started, and continues, modestly. It is a small campaign compared with those of some other beverage and food people. It is not a large part of milk promotion in the State. If the State's effort is to get the credit, however, apparently the present themes and emphasis are responsible.

Other Cities Sip Less

To make sure that New York City's combined improvement of 7.49% for August and September was not due to a general upturn in milk consumption, the Department of Agriculture and Markets checked with the neighboring major markets of Boston and Philadelphia. The New York City consumption increase for the two months totaled 7,753,040 quarts. In Philadelphia and Boston, on the other hand, it was found consumption was still declining. In Philadelphia for August-September the loss was 588,880 quarts, about .2%; in Boston it was 532,600, about .4%.

In New York City in October, the U. S. Department of Agriculture has just reported, there was a further gain in milk sales of 3,521,320 quarts, or 3.32%, making the combined gain for August, September and October, there, 11,274,362 quarts.

Average yield per cow in New York State is now about 6,500 pounds. With more money for feeding and equipment, it was explained, the 200,000 milk producers there may be able to increase the average yield to 8,000 or 10,000 pounds. The dealers also can handle more business without additional expense. No more manpower, for example, is required to leave three quarts at your door than to leave two.

Cows, of course, will continue to give more milk in the Spring than they do in other seasons. Even the Federal Administration could hardly "spread" their production. Throughout the year fluid milk consumption in New York State (and probably elsewhere) varies only 12%. One objective of the campaign, however, is to bring the fluid milk consumption up to the minimum production line, and in the process to level out the consumption line throughout the year.



NEW YORKERS NEED NOT BRING THEIR MAYOR OR HIS NOISE SQUAD TO CHICAGO

• • • to get sound sleeping quiet at THE STEVENS.

Like the European hotels of great repute, of refinement and popular patronage, The GREAT STEVENS steps just outside the area of big noise, of dirt, and grime!

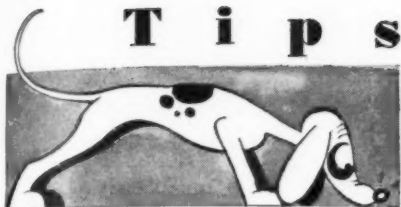
Still it's but a trim lady's jog past the fascinating shops of brilliant Michigan Avenue to wherever one wants to go in Chicago.

THE STEVENS CHICAGO

WORLD'S LARGEST HOTEL

ROOMS WITH BATH FROM \$2.50

T i p s



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Radio Stations Release Metropolitan Market Studies

Showmanship, that fundamental of the radio business, is being carried over in ever increasing degree to the promotion and marketing studies published by the radio stations in behalf of their respective areas. This column has received a number of individual mark of studies, designed to be of real value to marketing executives.

Oklahoma City

"WKY Presents Facts About its Market," published by the only NBC station in Oklahoma. On the principle that everything in Oklahoma centers around Oklahoma City, and that all transportation and jobbing connections make the city the commercial as well as the political capital of the state, this book swiftly marshals facts which marketing executives may utilize in establishing quotas and advertising plans. The radio circulation is presented in the manner established by the "NBC Network Aires," showing the counties according to (1) 100% potential circulation; (2) 50 to 99% potential circulation; and (3) 5 to 49% potential circulation. A map shows these counties in color, and is followed by a tabulation of market facts broken down in the same fashion. Copies available through the offices of the E. Katz Special Advertising Agency, or direct from M. H. Bonebrake, Station WKY, Oklahoma City.

Salt Lake City

"The Advertiser's and Agency's Guide to the Rich Intermountain Market," as presented by KDYL, Salt Lake City, Utah. Liberally illustrated with photographs of its physical equipment, radio program casts, promotion activities, the booklet is an excellent index to the manifold facets of an aggressive station's activities. Interesting are the examples of billboard advertising, window displays of products advertised, and paid program advertising in three local newspapers, showing what the station is doing to build its audience and serve advertisers. The section on market data gives, in addition to statistics on spendable money income, population, radio families, and retail and wholesale sales for the counties and states covered by the station, an illuminating explanation of the factor of "coverage," as applied to a sparsely settled mountainous country, and the importance of a maximum audience in a concentrated area. Copies of the study are available through W. E. Wagstaff, Station KDYL, Salt Lake City, Utah.

Bridgeport

"WICC—Bridgeport, New Haven, Connecticut" is the title of an extremely condensed but comprehensive study of the

Southern Connecticut market. Station coverage is analyzed by microvolt areas to show relative purchasing power and station signal strength of WICC and other stations are shown for the important cities and towns in the area. Having proved that the station has power, and dominates in its area, the study then proceeds to point out the buying power of the market. For copies, address George Rowe, Station WICC, Hotel Stratfield, Bridgeport, Connecticut.

Denver

"New Gold" is the title of a folder briefly describing the market and facilities of Station KOA, the NBC 50,000 watt outlet for Denver and the Rocky Mountain region. Accompanied by a county map in colors, showing the three "aires," as established by "NBC Network Aires," this is more a promotion piece than a market study. Available through A. E. Nelson, Station KOA, NBC Building, Denver.

Detroit

"WXYZ and WWJ" is a folder briefly outlining the activities of these two NBC stations in Detroit, with a minimum of market data. Write National Broadcasting Company, 802 Fisher Building, Detroit.

"Kentuckiana" Auto Dealer Directory Now Available

Unique, to the best of our knowledge, among promotional jobs designed to aid manufacturers in specific fields is the "Directory of Automobile Dealers in Kentucky and Southern Indiana," published by the Louisville Courier-Journal and Times. It is a pocket-sized directory giving (1) a listing of passenger car dealers, by counties and cities; and (2) a recapitulation showing dealers in this same area grouped according to makes of cars handled. In the first section the name of each dealer, and car handled, is shown for each town, together with the number of families in the county, the passenger car registrations in that county (1934), and the newspapers'

circulation. The second section shows all Chevrolet, Ford, Auburn, etc., dealers, and their locations. This study was prepared under the direction of A. R. Magee, national advertising manager of the Louisville Courier-Journal, and copies may be secured direct from him.

For Sale: Initiative, Marketing Experience and the Ability to Handle Men

Here is a Sales Manager with 15 years' intensive experience and one of the leaders in his industry. Desires connection with manufacturer selling nationally. Experience includes training and supervising hundreds of salesmen, directing sales promotion and formulating company sales policies with extraordinary success. Age, 38. Strong personality. Top-notch salesman. Dynamic worker. Money-back guarantee.

Box 455

SALES MANAGEMENT

420 Lexington Avenue New York

Personal Service and Supplies

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EXECUTIVES WANTED

SALES PROMOTION MAN. NATIONALLY known manufacturer of advertising specialties, leather goods, paint process bulletin and road signs, calendars, and specialties, needs the services of a man with modern sales promotion ideas, capable of originating sales plans, handling, coaching and developing salesmen. In answering give age, experience and full details. Address Box 454, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

SALARIED POSITIONS, \$2,500 to \$26,000. This thoroughly organized advertising service of 25 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present position protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

ASSISTANT SALES AND PROMOTION MANAGER wanted by Building Specialties Manufacturer, Northern Ohio. Man experienced in merchandising to architects, engineers, contractors, industrial plants, familiar with dealer appointment and promotion. Salary, Write experience and qualifications fully, stating compensation required. Box No. 452, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

POSITION WANTED

QUALIFIED PUBLIC SPEAKER POSSESSING leadership, personality, excellent appearance, ambition, with will to work and succeed. Can handle men. Young; seven years' purchasing experience; now employed; seeking advantageous sales or purchasing position; write George P. Schmid, 11 Cypress Street, Floral Park, Long Island.

OPPORTUNITY WANTED—YOUNG MAN, 28, college and specialized education. Now employed as assistant sales executive for manufacturing concern desires change. Experience domestic and foreign sales problems, advertising. Initiative, adaptability, reliability should make him worth his salt to aggressive concern. Locate anywhere. Address replies to Box 453, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

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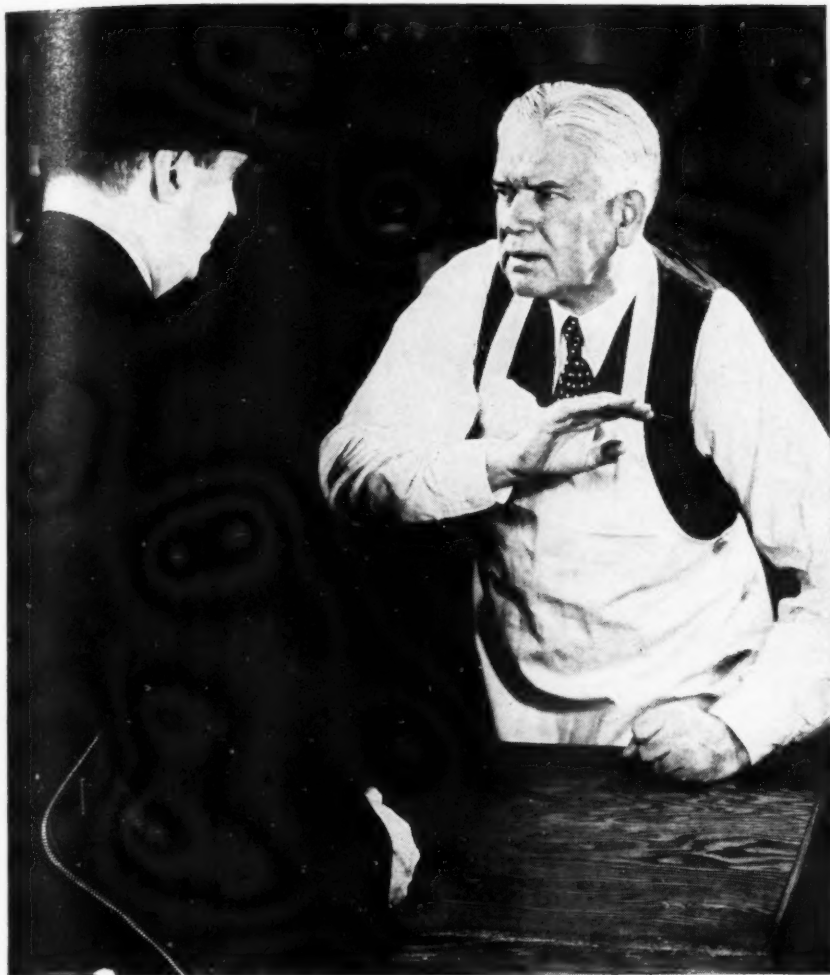
OUR PREDICTION COMES TRUE: Newspaper headlines this past fortnight broadcast the news that the Western railroads, acting through the Western Passenger Association, have made the new low railroad fares permanent. In the first eight months of this year, passenger revenues in the Western areas climbed \$6,000,000. In 1934—the first full year during which the experimental lower fares were in force—total passenger traffic of the Class I railroads for the first time since 1923 showed a gain over the previous year, thus reversing a downward trend whose beginning long antedated the depression. . . . **SALES MANAGEMENT** has a peculiarly direct interest in this news. In July of 1932, this magazine, seeing salesmen by the thousands pulled out of territories because of the excessive transportation cost involved in working them, started a vigorous campaign to get the railroads to adopt a scrip mileage rate for quantity travelers. The tremendous response from executives in charge of field forces induced the Western roads to try such a plan on an experimental basis beginning February 1, 1933. It worked—so well that the new fares are now permanent. . . . Meanwhile the Eastern railroads are still dallying with the idea of cutting fares, wondering if it would really pay. These roads (with the exception of the B & O—the only road that has not protested proposed rate cuts in the East) still seem obsessed with the idea, once expressed to this magazine by an official of the Pennsylvania, that “people who travel in the East have to travel, more or less,” and “therefore a reduction would not stimulate enough added business.” . . . At that time **SALES MANAGEMENT** pointed out that such a theory was contrary to simple economics. We said: “The railroads have grown up in the belief that rail travel is a service the public has to buy rather than a service the companies have to sell creatively just as any commodity is sold. The net volume enjoyed by the railroads, must, in the last analysis, depend upon the price at which the service is available to the masses. If that price is too high, the public will find some other way to travel which is more suited to its pocketbook. Or it will not travel at all.” . . . We believe lower rates are urgently needed in the East right now to encourage and support national sales organizations in the expansion so many of them plan to make in 1936, and we see no reason to believe that a lower rate policy there would operate any differently from the way it has operated in the West. Moreover, we believe the Eastern railroads are only hampering their own progress by hanging on to the forlorn hope that somehow they can avoid any reduction of the 3.6 basic rate—a rate established to meet the exigencies of war time—which is quite out of line with present-day values offered by competitive types of transportation.

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WHAT ABOUT ENFORCED OBSOLESCENCE? If a major depression makes anything clear, it demonstrates that when general business conditions move downward, most people and most business concerns adopt a definite policy of trying to make everything old last as long as possible. This trend is further amplified by the unavailability of investment capital or bank loans during the period when durable assets are something of a drug on the market in that available supplies of new and second-hand material exceeds the immediate supply of possible purchasers. These two factors taken together accelerate the downward spiral and make it extremely difficult to reverse into an upward spiral. All of which presents a potent argument for the development of a new kind of economic planning based upon what we will call *the philosophy of enforced obsolescence*. . . . It may take a lot of thinking by many men of ability to develop this philosophy into a substantial reality. But we submit that it deserves intensive attention by the greatest industrial and marketing experts in the country. . . . We hear much talk nowadays about the dangers of an unbalanced national budget and much blasphemy about the billions which are being expended on relief and similar recovery measures. It appears, however, that too much emphasis is placed upon what is wrong with the picture as it now exists and too little emphasis on a sound solution of the problem itself. There is universal desire to see unemployment solved via the medium of private employment and private business, but there is not enough being done along tangible lines to constitute a solution. To start the ball rolling and to supply a target at which everybody and anybody can shoot as much as they please, we present a few possibilities. First, let's suppose that all passenger motor cars be declared obsolete and ruled off the streets when they are six years old. Based upon a total registration of 24 million cars, this would mean production and sale of four million cars per year, enough to assure continuous prosperity and large scale employment in the motor car field. Similarly, let's suppose that private dwellings be declared obsolete at the end of 25 years. Figured against a potential of 25 million homes, this means an average of one million new homes per year—enough to keep the building industry thriving. In the machinery field, reliable surveys show that more than 65% of all the plant equipment in the country is more than ten years old. A sound policy of compulsory obsolescence here might result in continuous prosperity. . . . What have our readers to say about a new *philosophy of enforced obsolescence*? We invite communications from them on this provocative subject.

Ray Bill

SALES MANAGEMENT



TURNOVER! Say — the only turnover your product gets is when we dust it!

Discouraging? Yes. But more important, it is a signal that something is probably wrong at the point of sale.

If this happens in the merchandising of your product, has it occurred to you that we might be able to help you find out the reason why?

We have practically grown up with package merchandising. We have seen many problems

solved and had a share in their solving. This accumulated experience is yours without obligation. But if yours is a new problem, you will find us ready and willing to work with you in solving it.

A letter to us may help you solve your problem. Address the Sales Promotion Department of the American Can Company, 230 Park Avenue, New York City.

AMERICAN CAN COMPANY

230 Park Avenue, New York

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BEN BERNIE
"and all the lads"
TUESDAY NIGHT
N.B.C. WJZ NETWORK
9 P.M., E.S.T.

Influence on **WOMEN**



BECAUSE they prefer it as a newspaper and as a shopping guide, more women read the Tribune than read any other Chicago newspaper. As a result, advertising addressed to women in the Tribune pays out better. Department stores and retailers generally, who sell to women, place more advertising in the Tribune than in any other Chicago newspaper. A Tribune representative—or your advertising agency—will be glad to give you the complete facts.

Chicago Tribune
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